

# **BOARD OF COMMISSIONERS**

1 S. Main St., 9th Floor Mount Clemens, Michigan 48043 586-469-5125 FAX 586-469-5993 macombcountymi.gov/boardofcommissioners

# PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE

# **WEDNESDAY, FEBRUARY 4, 2009**

# **AGENDA**

1.	Call to Order	
2.	Pledge of Allegiance	
3.	Adoption of Agenda	
4.	Approval of Minutes Dated 11-12 and 12-02-08 (previo	usly distributed
5.	Public Participation	
6.	Community Development  • Neighborhood Stabilization Program	(mailed)
7.	Business Retention     U.S. Small Business Administration (SBA) Financing Programs     Economic Development Retention Visits	(mailed)
8.	Business Attraction  • Upcoming Attraction Opportunities	(mailed)
9.	Business Expansion  • Macomb – Oakland University Incubator / Macomb Technology Advancement SmartZone	(mailed)
10.	Transportation  • Gratiot Ave. Access Management Plan	(mailed)
11.	Community Planning & Assistance	(mailed)
12.	Regional Partnerships  • EDCSEM Trip to Washington D.C.	(mailed)
13.	Marketing & Promotion	(mailed)
14.	Tourism      Lake St. Clair Initiative     Chesterfield Township Convention Center	(mailed)

# MACOMB COUNTY BOARD OF COMMISSIONERS

Andrey Duzyj - District 1 Marvin E. Sauger - District 2 Phillip A. DiMaria - District 3 Toni Moceri - District 4 Susan L. Doherty - District 5 Sue Rocca - District 7
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Ed Bruley - District 17 Dana Camphous-Peterson - District 18 Irene M. Kepler - District 21 Frank Accavitti Jr. - District 22

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Paul Gieleghem

District 19

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Joan Flynn District 6 Sergeant-At-Arms

William A. Crouchman - District 23 Michael A. Boyle - District 24 Kathy D. Vosburg - District 25 Jeffery S. Sprys - District 26

15.	Admin	istrative		(mailed)
	•	Research Libra	rian Positions	
	•	Planning and E	conomic Development Department Visit – February 13, 2009	
				, u n
	•	Request Depar	tmental Credit Card for Economic Development Purposes	(mailed)
16.	Upcom	ning Events		(mailed)
	•	February 10	SEMCOG, Combating the Local Impacts of Foreclosures	
	•	February 11	SBTDC, Starting a Business	
	•	February 11	Macomb County, "Make Your Website a Star Performer" Workshop	
	•	February 18	SBTDC, Writing a Business Plan	
	•	February 20	Macomb County, Energy Manufacturing Workshop	
	•	February 26	SBTDC, Entrepreneurial Series: Finance	
	•	March 18	SBTDC, Marketing Your Business	
	•	March 25	SBTDC, Business Legal Issues	
	•	April 14	Center for Automotive Research, Road to Renewal: A Summit on the	
		·	Changing Automotive Industry – How Communities Can Survive (Chicago)	
	•	April 16	SBTDC, Team SBA Financing Roundtable	

17. New Business

18. Public Participation

19. Adjournment

MEMBERS: Bruley-Co-Chair, Carabelli-Co-Chair, D. Flynn-Vice Chair, Brown, Mijac, Vosburg, Duzyj, Accavitti, Moceri and Gieleghem (ex-officio)

RESOLUTION NO.	FULL BOARD MEETING DATE: AGENDA ITEM:
	MACOMB COUNTY, MICHIGAN
RESOLUTION TO:	Receive and File the Report on Community Development Activities
INTRODUCED BY:	Commissioners James Carabelli and Edward Bruley, Co-Chairs
DESCRIPTION:	
COMMITTEE/ME	ETING DATE
PED	2-4-09

# NSP GRANT SUBMISSION TEMPLATE & CHECKLIST

NSP grant allocations can be requested by submitting a paper NSP Substantial Amendment or a form under the Disaster Recovery Grant Reporting (DRGR) system. This template sets forth the suggested format for grantees under the NSP Program. A complete submission contains the information requested below, including:

- (1) The NSP Substantial Amendment (see below)
- (2) Signed and Dated Certifications (see below)
- (3) Signed and Dated SF-424.

<u>Grantees should also attach a completed NSP Substantial Amendment Checklist to ensure completeness and efficiency of review</u> (see below).

# THE NSP SUBSTANTIAL AMENDMENT

Jurisdiction(s): Urban County of Macomb

(identify lead entity in case of joint agreements)

Jurisdiction Web Address:

www.macombcountymi.gov/mcped

(URL where NSP Substantial Amendment materials

are posted)

NSP Contact Person: Michael Rozny

Address: 7th Floor, Administration Building

One South Main St. Mt. Clemens, M1 48043

Telephone: 5

586/469/6451 586/469/6787

Fax: Email:

Mike.Rozny@macombcountymi.gov

#### A. AREAS OF GREATEST NEED

Provide summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction.

Note: An NSP substantial amendment must include the needs of the entire jurisdiction(s) covered by the program; states must include the needs of communities receiving their own NSP allocation. To include the needs of an entitlement community, the State may either incorporate an entitlement jurisdiction's consolidated plan and NSP needs by reference and hyperlink on the Internet, or state the needs for that jurisdiction in the State's own plan. The lead entity for a joint program may likewise incorporate the consolidated plan and needs of other participating entitlement jurisdictions' consolidated plans by reference and hyperlink or state the needs for each jurisdiction in the lead entity's own plan.

HUD has developed a foreclosure and abandonment risk score to assist grantees in targeting the areas of greatest need within their jurisdictions. Grantees may wish to consult this data [LINK – to HUD USER data], in developing this section of the Substantial Amendment.

Response: Macomb County identified the areas of greatest need using a matrix that combined HUD's foreclosure data with data developed by the Macomb County Department of Planning and Economic Development, and its Clerk's and Treasurer's offices. In conformance with HERA, the matrix ranks distress levels for each community using the following criteria; 1) the number of foreclosures, 2) the number of predicted foreclosures, and 3) the number of sub-prime loans. The maximum possible score is 14 points. Community scores ranged from 13.5 to 0.5, but there was a clear point of demarcation below 7.5. The County will therefore allocate funds directly to those communities (Eastpointe [13.5 pts.], Mt. Clemens [10 pts.], and Center Line [7.5 pts]) with distress scores at or above that level. The 7.5 score therefore formed the cutoff for targeting the NSP funds. Using the overall distress rankings obtained, and considering population, these three communities will be targeted for concentrated assistance. The needs data is provided below.

<sup>&</sup>lt;sup>1</sup> Two out-of-formula communities (Roseville and St. Clair Shores) also scored highly, but are expected to apply for State of Michigan NSP funds. If unsuccessful, they could apply to the County. Although not considered further in this application at this time, they might, participate at a later date. The County will collaborate with them if and as necessary to ensure successful program implementation.

General Cor	omunity In	formation			# FC Pro	perties (X6)			#2 Projecte	d Foreclosu	res (X6)		#3 % Subprime (X4)	Loans	Other (X0)	
Community (CVT)	Total # Housing Unita	# Sheritt Deeds Issued	SD % of TOTAL	dempt (2)	Total # SO (2)	Residential Vacancy Rate (1)		Redemp tion (2)	# Projected FC over 18 months (1)	Risk FC / Abandon- ment (1)	ploy∢nt (1)	Score	HMDA High Cost Loans	Score	LMMI Areas unless indicated "NO"	Total Score/Rank
EASTPOINTE	12,263			1104		7.8% - 2.1%	4.5		10% - 12.6%	9, 10	9.9%	5	35.7% - 50.7%	- 4		13.5
NEW HAVEN	1,139		9,13%	73	6.41%	6.80%	2.5	31		10		1.5	32.50%	1		5
ROSEVILLE	17,063	1244	7.29%	892		2.2% - 7.2%	4.5		8.3% - 11.5%	8, 9, 10	13.5%	5	25.6% - 44.3%	3		12.5
MOUNT CLEMENS	7,005	411	5.87%	327		3.6% - 9.5%	- 4		8.5% - 12.7%	8, 10		2	38.0% - 51.9%	4		10
SHELBY TWP	18,393	670	3.64%	477		0.2% + 7.0%	2.5		5.0% 7.7%	5, 6, 7, 8, 9		2	7.1% - 22.7%	1	l	5.5
CHESTERFIELD TWP	12,291	729	5.93%	562		0.6% - 3.9%	3	167		2, 5, 7, 8		1.5	15.3% - 21.3%	0	1	4.5
CENTERLINE	3,424	175	5.11%	139		3.9% - 8.3%	2.5	36	10,3%	9		2	37.9 - 38.0%	3		7.5
HARRISON TWP	8,022	347	4.33%	276		1.9% - 5.2%	1.5		3.6% - 8.1%	2, 7, 9		1	15.1 - 25.2%	2	!	4.5
MACOMB TWP	17,402	761	4.37%	539		0.5% - 3,7%	2	222	5.7% - 7.2%	5, 6, 7		2	11.4% - 16,1%	1	i	5
WASHINGTON TWP	5,290	234	4.42%	154	2.91%	0.6% - 4.4%	0	80	0.6% - 1.4%	5,6		0	9.6% - 18.7%	1		1
RICHMOND	2,426	92	3.79%	70	2.89%	5.4%	0.5	22	7.8%	9		1	23.60%	1 1	No 1	2.5
NEW BALTIMORE	4,687	190	4.05%	144	3.07%	2.5%	1	45	7.1%	7		0.5	19.50%	6		1.5
FRASER	4,780	166	3.49%	123	2.58%	1.5% - 3.5%	0	43	8.5% - 8.6%	7.8		1	15.9% - 27.8%	2		3
ARMADA	887	30	3.38%	23	2.59%	1.5%	0	7	6.8%	7		0.5	17,70%	ā		0.5
ROMEO	1,698	55	3.24%	41	2.41%	4.4%	0	14	7.0%	8		0.5	18,70%	0		0.5
ST CLAIR SHORES	20,898	1007	4.82%	801	3.83%	0.3% - 3.6%	3	206	8.7% - 9.1%	6, 7, 8	10.2%	3	13.6% - 29.8%	2	ĺ	8
MEMPHIS (pl)	551	12	2.18%	10	1.81%	2.2%	0	2	7.2%	7		0.5	19.80%	ă		0.5
UTICA	2,179	51	2,34%	25	1.15%	3.4% - 3.5%	0	28	7.0% - 8.4%	7.8		0.5	18.5% - 26.7%	2		2.5
RICHMOND TWP	1,626	33	2.03%	24	1.48%	2.2%	0 1	9	7.2%	7		0.5	19.80%	- 6		0.5
ARMADA TWP	1,686	34	2,02%	23	1.36%	1.5%	۰	11	6.8%	7		0.5	17.70%	ŏ	No i	0.5
BRUCE TWP	3,485	57	1.64%	41	1,18%	1.8% - 7,8%	0,5	16	1.8% - 7.8%	6,9		1	11 30%			1.5
RAY TWP	1,978	30	1.52%	23	1.16%	2.3%	0	7	8.7%	7		0.5	16.90%	ŏ [	No F	0.5
LENOX TWP	2,561	32	1.25%	27	1.05%	2.9% - 8,8%	0.5	5	8.5% - 9.4%	7, 10		1.5	15.7% - 32.5%	2	"	4
	161,734		5,15%	6,018	3.97%			1,803						i		
Macomb County Need Data Table	residential Runking Cr pt., < 300 =	Vacancy riteria <u>#S</u> 0 pts. <u>Pf</u> 3.0% ≈ 1 i	Rates prov D (PR): > Ras % of C pt. <u>Resid</u> e	ided by U 750 = 2 p county Tot	d by MCDPEO, SPS via US, Di Ms., >300 < 750 at: > 5.0% = 2 ncles > 7.9% =	HUD I≖ 1 pts., ≺ • 1 pt.,	Other date Ranking t Shariffs D 200 units (18 Month 1/2 point, pt., 7-8 =	ı: U.S. DHUD. Criteria:	ption: 200+ nits = 0 point: % = 1 point, Risk of FC / pts.	units = 2   s <u>Project</u> 8.5% - 10 <u>Aban:</u> 9-1	ots., 150 - ted FC 8% = 0 = 1	Subprime Loan (H) LMMM  Oate: US D Ranking Criteria: 45.5% - 63.2% = 4; 33.1% - 45.4% = 3; 24.1% - 33.0% = 2; 20.0% - 24.0% = 1; Points awarded bas- prime loans.	ooints points points points		,	

#### **B.** Distribution and Uses of Funds

Provide a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures. *Note*: The grantee's narrative must address these three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

#### Response:

Distribution: The matrix shows high degrees of foreclosure-induced distressed in Eastpointe, Mt Clemens, and Center Line. Their populations are rough multiples of each other, increasing by a factor of 2 from Center Line to Mt. Clemens, and then to Eastpointe. Their distress levels follow a similar pattern, but one that increases by 50%, rather than doubling. These two patterns resulted in the weights applied to determine the NSP funding levels for each community. Center Line received I pt., the baseline, Mt. Clemens, 2 pts., is twice that of Center Line, and Eastpointe, 4 pts., is twice that of Mt. Clemens. By adding the weights, a factor of 7 was derived. A total of \$5,273,303 has been exclusively allocated for targeted communities. Simple math was then used to obtain grant amounts, shown in the table below.

COMMUNITY	POPULATION <sup>2</sup>	NEEDS SCORE	WEIGHTED RATIO	TARGET ALLOCATION
Eastpointe	33,145	13.5	4	\$3,013,319.00
Mt. Clemens	16,894	10.0	2	\$1,506,658.00
Center Line	8,297	7.50	I	\$ 753,326.00
Totals	60,344		7	\$5,273,303.00

<sup>&</sup>lt;sup>2</sup> Source: July 2008 population estimates compiled by the Southeast Michigan Council of Governments.

Macomb County is aware of the very high performance expectations established by Congress. Should the rate of NSP obligations or completions be jeopardized in these communities, the County will redirect funds to other projects in the communities, or to the next two distress-ranked communities, Shelby Township [5.5 pts], and the Village of New Haven [5.0 pts.). The Urban County expects the majority of foreclosed and abandoned properties to be located in its target areas although some may be located in other, non-targeted areas. The following table shows the general distribution of funds within the Urban County jurisdiction.

# Targeting and Beneficiary Considerations 2008 Macomb County NSP

\$9,765,375.00 - Macomb County NSP Grant Allocation

< 976,537.00> (10% planning and administration & exempt from calculation)

\$8,788,838.00 - reserved for NSP projects

<3.515,535.00> 40% of NSP grant available for LMMI homebuyer assistance throughout the County

\$5,273,303.00 - 60% of NSP grant available exclusively in high-distress communities<sup>3</sup>

\$2.197,209.50 – reserve for projects benefiting persons  $\leq$  50% AMI

The NSP will be support the following specific activities:

PROPOSED NSP ACTIVITIES					
Activity	Description	Budgeted	Accomplishments	Start/End Dates	
N8-21-01	Homebuyer Assistance — See Section C, County Definitions below. Location throughout the Urban County's jurisdiction.	\$3,515,535.00	78 homes for LMMI and LI households within the Urban County jurisdiction.	Start 2/28/09 End 7/01/12	
N8-21-07	Planning and Administration.	\$976,537.00	Well-Executed Program	Same	
N8-01-01	Homebuyer & Rehabilitation Assistance- City of Eastpointe	\$2,803,315.00	70 homes	Same	
N8-01-02	Demolition: City of Eastpointe	\$210,00.00	20 homes	· · · · · · · · · · · · · · · · · · ·	
N8-02-01	Homebuyer & Rehabilitation Assistance- City of Mt. Clemens	\$1,146,658.00	10 homes	Same	
N8-02-02	Demolition: City of Mt. Clemens	\$360,000.00	35 homes	Same	
N8-03-01	Homebuyer& Rehabilitation Assistance- City of Center Line	\$643,330.00	16 homes	Same	
N8-03-02	Demolition: City of Center Line - See preceding activity description.	\$110,000.00	10 homes	Same	
	Activity Totals	\$9,765,375.00	i i		

All activities are detailed in Section G of this application.

<sup>&</sup>lt;sup>3</sup> Each activity will benefit an income-eligible homebuyer (LMMH) or obtain an area benefit due to restrictions limiting demolition activities to LMMI census tracts and block groups.

# C. DEFINITIONS AND DESCRIPTIONS

(1) Definition of "blighted structure" in context of state or local law.

Response: A structure is blighted when 1) it has deteriorated to the point where it constitutes a threat to human health, safety, and public welfare (as determined by the municipal building official) and the estimated cost of repair to correct those deficiencies exceeds 50% of the structure's State Equalized Value (SEV), 2) it constitutes a muisance to the public, or 3) it is structurally and/or functionally obsolete and therefore no longer has a useful purpose.

(2) Definition of "affordable rents." *Note:* Grantees may use the definition they have adopted for their CDBG program but should review their existing definition to ensure compliance with NSP program – specific requirements such as continued affordability.

Response: The County will provide, as a priority, homebuyer assistance in its NSP. It does not therefore intend to undertake rental projects at this time. If it did, however, the County would adhere to the term "affordable rent" as outlined in HOME Regulation 24CFR 92.252 (a), which limits rents to the lesser of the Fair Market Rents established for the area, or 30% of annual income for households whose incomes do not exceed 65% of Area Median Income.

(3) Describe how the grantee will ensure continued affordability for NSP assisted housing.

Response: Macomb County will apply the affordability standards at 24CFR 92.252 (e) and (f) for rental properties and, for homebuyers, at 24CFR 92.254 (a) (1), (2), (4) and (5)(ii) (A) (1). Specifics follow:

- a. Homebuyers assisted will receive one or two loans that will not require repayment until Mortgage default, as described previously. One, a Shared Appreciation Second Mortgage, will be repaid with interest, or partially forgiven. The other, Forgivable Housing Rehabilitation Mortgage, will be totally forgiven upon Mortgagor satisfaction of ownership and occupancy over the 15-year period of affordability.
- b. The intent behind a rental housing activity is to create permanently affordable housing for LI renter households. Rental assistance, if provided, will involve a partnership with a public housing commission or other non-profit provider sharing this objective. If the former, the units assisted would become public housing and would be subject to commission rules and policies to guarantee affordability. If the latter, the properties acquired and rehabilitated would be secured by a second mortgage to guarantee affordability. Failure by any partner to comply would result in default and require repayment of the assistance provided.
- (4) Describe housing rehabilitation standards that will apply to NSP assisted activities.

Response: The County will use the rehabilitation standard cited in its housing rehabilitation manual. The manual cites the State of Michigan Residential Building Code (for existing dwelling units) and, when applicable, HQS standards.

Macomb County NSP Definitions: In addition to the above definitions, the County has provided basic terms that will govern its Homebuyer Purchase and Rehabilitation Assistance Program.

Purchase Price: Amount needed to acquire a home including reasonable closing costs

Rehabilitation Costs: Amount of Rehabilitation Contract and any used contingency amounts for repairs needed to make the home decent, safe and habitable and in compliance with State Building Code and any amounts for energy efficiency items decided upon by the homeowner. In no event will the Rehabilitation Costs exceed 49% of the Purchase Price.

<u>Hard Costs</u>: The sum of the Purchase Price and the Rehabilitation Costs for a property. The maximum Hard Costs for a home receiving NSP assistance is \$226,100.

Shared Appreciation Second Mortgage: Mortgage given to an NSP beneficiary using NSP funds in order to purchase a home to be used as a primary residence by an eligible NSP applicant. Mortgage is limited to 49% of the Purchase Price. The Shared Appreciation Second Mortgage will carry a 0% interest rate and any payments on the mortgage will be deferred until mortgage default occurs. Default will occur and the mortgage will be due and payable should the property cease to be the primary residence of the borrower, or if the home is rented, sold or title is transferred. Upon default, the amount due will be equal to a percentage of the sales price or if it does not occur at sale, the current appraised value. This percentage of the sales price or current appraised value will be equal to the percentage of the original Purchase Price that was originally financed by the NSP Shared Appreciation Second Mortgage. The amount due will therefore reflect the appreciation or the possible depreciation of the property. In no event will the NSP share of appreciation exceed 6% per annum of the original principal amount of the mortgage compounded over the lifetime of the mortgage.

Forgivable Housing Rehabilitation Mortgage: Mortgage given to an NSP beneficiary using NSP funds in order to finance Rehabilitation Costs. The Maximum amount of mortgage will be limited to an amount, which when added to the amount of Shared Appreciation Second Mortgage, will be less than 49% of the hard costs. The Forgivable Housing Rehabilitation Mortgage will carry a 0% interest rate and any payments on the mortgage will be deferred until mortgage default occurs. Default will occur and the mortgage will be due and payable should the property cease to be the primary residence of the borrower, or if the home is rented, sold or title is transferred. If upon default more than 15 years has expired since the signing of the mortgage, the mortgage loan will be forgiven and discharged. If upon default less than 15 years has expired since the signing of the mortgage, the loan will be due and payable in full at that time.

<u>Soft Costs:</u> Amounts used to finance and implement distribution of NSP funds on a particular property. These amounts include but are not limited to appraisals, homebuyer counseling, housing inspections, lead based paint inspections and clearances, costs of staff time involved in the activity delivery, office expenses, necessary mileage charges and other costs necessary to the administration and completion of a home purchase and rehabilitation of the home. These amounts will be financed with NSP funds but will not be charged to the homebuyer nor require repayment.

<u>Development Costs:</u> The sum of Hard Costs plus Soft Costs

# D. LOW INCOME TARGETING

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income: \$34,950 for a 4 person household for the Detroit-Livonia-Warren metropolitan area.

*Note*: At least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50 percent of area median income.

<u>Response:</u> Macomb County will ensure that a minimum of \$2,197,210 is used to benefit households  $\leq$  50% AMI. The income limits, based on household size, follow<sup>4</sup>:

1 1	2	3	4	5	6	7	8
PERSON							
\$24,450	\$27,950	\$31,450	\$34,950	\$37,750	\$40,550	\$43,350	\$46,150

The County's NSP will primarily assist homebuyers. Staff will verify the income-eligibility of all potential homebuyers and will therefore be able to monitor progress in meeting the LI benefit objective. Should that become doubtful, the County would investigate root cause, and adjust its activities accordingly, possibly

<sup>&</sup>lt;sup>4</sup> Source: U.S. Department of Housing and Urban Development, HUD Section 8 Income Limits for the Detroit-Warren-Livonia metro area.

through implementing the rental activities already described. The County will advise HUD of any changes to objectives and/or activities through the DRGR.

### E. ACQUISITIONS & RELOCATION

Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e.,  $\leq$  80% of area median income).

## If so, include:

- The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
- The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

Response: Metropolitan Detroit, like other metropolitan areas, has a large and increasing number of vacant homes and too few buyers for them. It is unique, however, in that its economic base, heavy manufacturing, is at extreme risk. This could, in a worst-case scenario, cause further and extensive population decline and leave immense numbers of homes vacant and deteriorating. It would also compromise Regional economic viability and growth for years. Prices will decline and remain depressed until the economy recovers. Increased availability and reduced prices would predict that it is highly unlikely that the number of dwelling units affordable to low- and moderate-income households will diminish.

Physical conditions in some neighborhoods therefore demand some demolition in the target communities. All have older and modest housing units, and all have blighted properties that are beyond repair, or which threaten to further erode the surrounding neighborhoods. It is reasonable to assume that most, if not all, are affordable to LMMI households, and are therefore subject to the preceding question, which is answered as follows:

- We may demolish as many as 65 homes with NSP funds.
- We may provide 174 units of vacant and foreclosed housing to LMMI households with NSP funds.
- Roughly one-quarter of the total number of units to be provided to LMMI households will be reserved for LI families.

As indicated, there should be no decrease in the number of housing units affordable to LMMI households as a result of NSP-assisted demolition.

Macomb County does not intend to engage in any activity that would trigger the Uniform Acquisition and Relocation Act. Should that inadvertently happen, however, compliance would be obtained.

# F. PUBLIC COMMENT

Provide a summary of public comments received to the proposed NSP Substantial Amendment.

Response: Tin addition to posting the Substantial Amendment on the County's website, it consulted with member and peer communities, and with select stakeholders to obtain feedback concerning the program.

# G. NSP INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

### Activity 1

- (1) Activity Name: Homebuyer Purchase and Rehabilitation Assistance N8-21-01
- (2) Activity Type: (include NSP eligible use & CDBG eligible activity) NSP Eligible Use (A), CDBG Regulations 570.201 (n) and 570.202
- (3) <u>National Objective</u>: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e.,  $\leq 120\%$  of area median income). *LMMH*
- (4) Projected Start Date: 2/28/09 (Launch)
- (5) Projected End Date: 7/01/12 (Complete)
- (6) Responsible Organization: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information) Macomb County Department of Planning and Economic Development, One South Main St., Mt. Clemens, MI 48043, Michael Rozny, Manager, Community Development
- (7) <u>Location Description</u>: (Description may include specific addresses, blocks or neighborhoods to the extent known.) As indicated previously, 40% of the NSP (minus planning & administration) may be used throughout the Urban County. A total of \$4,593,303 is exclusively targeted for this activity in Eastpointe, Center Line, and Mt. Clemens.

# (8) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.

Homebuyer purchase and housing rehabilitation assistance — This activity will consist of three components: 1) a Shared Appreciation Second Mortgage, to reduce the purchase price on a foreclosed property; 2) a Forgivable Housing Rehabilitation Mortgage, if required to meet State Building code, ad defined previously, and 3) Soft Costs. NSP hard costs will be secured by second and third mortgages on the property.

Homebuyers seeking NSP assistance will complete an application and submit documentation to the Macomb County Planning and Economic Development Department. The following process will be followed:

- Establish applicant eligibility, considering income and assets. The County will calculate income using IRS Form 1040 Adjusted Gross Income Method. Applicant incomes must fall below 120 percent of area median income. The applicant cannot have current liquid assets exceeding \$50,000.00, and cannot currently own a home.
- Local partners, including HUD-approved counseling agencies and local lenders, will also evaluate the
  applicant's credit-worthiness. The applicant must complete at least 8 hours of homebuyer counseling
  from a HUD-approved housing counseling agency. The applicant must also be approved by a lender
  for a fixed rate loan, at or near the best available conventional rate, including FHA-insured mortgages
  and MSHDA mortgages, for a term not to exceed 40 years.
- The lender must provide a written statement consenting to placing a Shared Appreciation Second Mortgage (see County definitions above), payable to the County of Macomb, on any property that the first mortgage would be used to purchase.

- Based on the amount of loan pre-approved, the applicant will receive a list of potential foreclosed and abandoned single family properties, including HUD-owned properties, from lists of tax and mortgage foreclosures, the HUD website, local records and neighborhood research. The applicant may also identify a foreclosed, abandoned property of his/her choosing for purchase.
- All properties will have been pre-negotiated to be available for sale at a discount from their current
  appraised value. The average purchase discount required from the seller will be 15% from the current
  appraised market value (CMAV), with few exceptions made in extraordinary instances. In no instance
  would the discount fall below 5% of CMAV. The maximum purchase price, after discount, may not
  exceed 125% of the amount of mortgage for which the potential beneficiary has been pre-approved.
- The NSP Shared Appreciation Second Mortgage will reduce interest rates, mortgage principal, and pay reasonable closing costs, thereby achieving the long-term affordability objective.
- Housing units acquired through the program may require rehabilitation in order to make them decent, safe, habitable and in compliance with the State's Building Code (see County definitions above). The County will therefore provide a Forgivable Housing Rehabilitation Mortgage for eligible Rehabilitation Costs secured by a lien on the property.
- The amount of the Shared Appreciation Second Mortgage will not, when added to the Forgivable Housing Rehabilitation Mortgage (see County definitions above), exceed 49% of hard costs. The maximum Hard Costs (see County definitions above) for a home receiving NSP assistance is \$226,100.

County Staff will assist in: application preparation, determining applicant eligibility, property inspections, cost estimates, contractor bid process, preparing construction contract, an inspection to ensure contract compliance. These are considered Soft Costs (see County definitions above), and will not be repaid by the NSP beneficiary.

### For housing related activities, include:

- tenure of beneficiaries--rental or homeownership; the NSP will assist households that do not currently own homes and intend, after purchase, to own and occupy their homes indefinitely.
- duration or term of assistance; the Shared Appreciation Second Mortgage will be effective while the
  homebuyer owns and occupies the property. It will be repayable upon sale, transfer, or default. The
  Forgivable Housing Rehabilitation Mortgage will be forgivable provided that the owner owns and
  occupies the property for the 15-year period of affordability. Specifics for a rental program have not
  been determined due to the priority for homebuyer assistance.
- a description of how the design of the activity will ensure continued affordability. Neither loan requires amortization until the property is sold, transferred, or the owner defaults. The Rehabilitation loan is completely forgivable if the owner remains in place for 15 years. The amounts are flexible to accommodate the buyer's income and preference. The rehabilitation loan, for example, allows the buyer the option of installing energy-saving improvements.

## For acquisition activities, include:

discount rate An overall purchase discount of 15% will be charged pursuant to NSP regulation J. The
County will ensure a minimum 5% discount on select properties, if warranted, but will achieve the
overall discount rate through corresponding increased discounts on other loans.

## For financing activities, include:

range of interest rates The Shared Appreciation Second Mortgage is repayable, as defined previously.
 The Forgivable Housing Rehabilitation Mortgage is deferred and carries no interest. It is also completely forgivable after 15 years.

I. Total Budget: (Include public and private components) Projected costs follow. The program is not expected to quickly generate program income, and none is therefore included in the budget.

HOME ACQUISITION PROGRAM	NSP	PRIVATE
Homebuyer Assistance <sup>5</sup>	\$3,515,535.00	\$4,696,856.00
Targeted Homebuyer Assistance <sup>6</sup>	\$4,593,303.00	\$7,045,284.00
Total Activity Budget (\$19,080,978.00)	\$8,108,838.00	\$11,742,140.00

Macomb County does not expect to generate a significant amount of revenue (program income) from the NSP, but would invest them into other eligible NSP projects, if received before July 30, 2013 or return them to the US Treasury, if received after that date, pursuant to NSP regulation N 1 and 2, as appropriate.

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Total Number of Units to be acquired and rehabilitated: 174

Total Number of Units assisting Persons  $\leq$  120% AMI: 174 (includes households  $\leq$  50% AMI)

Total number of units assisting households < 50% AMI: 44

# Activity 2

- (1) Activity Name: Property Demolition (N8- [0, 02, and 03] -01)
- (2) Activity Type: (include NSP eligible use & CDBG eligible activity) NSP Eligible Use (D), CDBG Regulations 570.201 (d)
- (3) <u>National Objective</u>: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e.,  $\leq 120\%$  of area median income). *LMMA* This activity is restricted to eligible Census Tract and Block Group areas.
- (4) Projected Start Date: 2/28/09 (Launch)
- (5) Projected End Date: 7/01/12 (Complete)
- (6) <u>Responsible Organization</u>: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information) <u>Demolition will be jointly managed by either Macomb County DPED staff or staff of the targeted municipalities. Macomb County Department of Planning and Economic Development, One South Main St., Mt. Clemens, MI 48043, Michael Rozny, Manager, Community Development.</u>
- (7) <u>Location Description</u>: (Description may include specific addresses, blocks or neighborhoods to the extent known.) Its is too early to provide specific addresses, but demolition is limited to the Cities of Eastpointe, Mt. Clemens, and Center Line, all are foreclosure distressed and most, if not all, of each jurisdiction is at or below 120% of AMl. Demolition is restricted to qualifying census tracts and block groups. See attached maps showing LMMI areas.

### (8) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income

<sup>&</sup>lt;sup>5</sup> Estimated at 40% of NSP grant, excluding planning & administration.

<sup>&</sup>lt;sup>6</sup> Includes allocations for homebuyer assistance in Center Line, Eastpointe, and Mt. Clemens.

housing requirement for those below 50% of area median income. The Cities of Center Line, Eastpointe, and Mt. Clemens indicate a need to demolish blighted structures that threaten to further erode the neighborhood viability. The County has therefore allocated funds for this purpose. The average estimated per unit cost is \$10,000, excluding reasonable, documented activity delivery charges incurred by community and County staff implementing this activity. No re-use is anticipated for the foreseeable future.

This activity carries risk since the municipality involved would use its powers to demolish privately-held property. Demolition will be limited to instances where neglect and/or abuse require intervention to preserve public safety and/or neighborhood integrity, and will be implemented in conformance with established, acceptable local procedures. The County will require due care before authorizing any demolition. NSP procedures and safeguards have yet to be developed.

For housing related activities, include: Not applicable for demolition activities.

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance;
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include: Not applicable for demolition activities.

discount rate

For financing activities, include: Not applicable for demolition activities.

range of interest rates

I. Total Budget: (Include public and private components) Projected costs are outlined below: This activity should not generate program income, and none is therefore included in the budget.

	NSP	PRIVATE
Demolition of Blighted Properties	\$680,00	\$0.00

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

Total Number of Units to be demolished: 65

Total Number of Units assisting Persons  $\leq$  120% AMI: Since demolition is limited to qualifying census tract and block group areas, it is assumed that both the LMMI and AMI targets will be met.

#### Activity 3

- (1) Activity Name: Program Planning & Administration (N8-21-7A)
- (2) Activity Type: (include NSP eligible use & CDBG eligible activity) NSP Citation (H), CDBG Regulations 570.205 and 570.206
- (3) National Objective: (Must be a national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice—i.e.,  $\leq 120\%$  of area median income). Presumed
- (4) Projected Start Date: 10/12/08 (Launch)
- (5) Projected End Date: 7/01/12 (Complete)
- (6) <u>Responsible Organization</u>: (Describe the responsible organization that will implement the NSP activity, including its name, location, and administrator contact information) <u>Macomb County Department of</u>

Excludes activity delivery charges

Planning and Economic Development, One South Main St., Mt. Clemens, MI 48043, Michael Rozny, Manager, Community Development

(7) <u>Location Description</u>: (Description may include specific addresses, blocks or neighborhoods to the extent known.) *One South Main St., Mt. Clemens, MI 48043* 

(8) Activity Description:

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income. *Planning and Administration*—Ten percent of the grant has been reserved to cover legitimate costs of program planning and implementation Anticipated costs include salaries and benefits, mileage, office expenses, and contractual help if and as necessary, e.g. appraisers and rehabilitation inspectors) deemed necessary to implement the program and achieve compliance with law and regulation.

For housing related activities, include: N/A

- tenure of beneficiaries--rental or homeownership;
- duration or term of assistance:
- a description of how the design of the activity will ensure continued affordability.

For acquisition activities, include: N/A

discount rate

For financing activities, include: N/A

range of interest rates

I. Total Budget: (Include public and private components) Projected costs are outlined below:

	NSP	PRIVATE
Planning & Administration	\$976,537.00	\$0.00

J. Performance Measures (e.g., units of housing to be acquired, rehabilitated, or demolished for the income levels of households that are 50 percent of area median income and below, 51-80 percent, and 81-120 percent):

A well-planned and executed program.

## Certifications

- (1) Affirmatively furthering fair housing. The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.
- (2) **Anti-lobbying**. The jurisdiction will comply with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
- (3) **Authority of Jurisdiction**. The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
- (4) Consistency with Plan. The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.
- (5) Acquisition and relocation. The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the Notice for the NSP program published by HUD.
- (6) Section 3. The jurisdiction will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- (7) Citizen Participation. The jurisdiction is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.
- (8) Following Plan. The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.
- (9) Use of funds in 18 months. The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using, as defined in the NSP Notice, all of its grant funds within 18 months of receipt of the grant.
- (10) Use NSP funds ≤ 120 of AMI. The jurisdiction will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income.
- (11) Assessments. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.
- (12) Excessive Force. The jurisdiction certifies that it has adopted and is enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) a policy of enforcing applicable

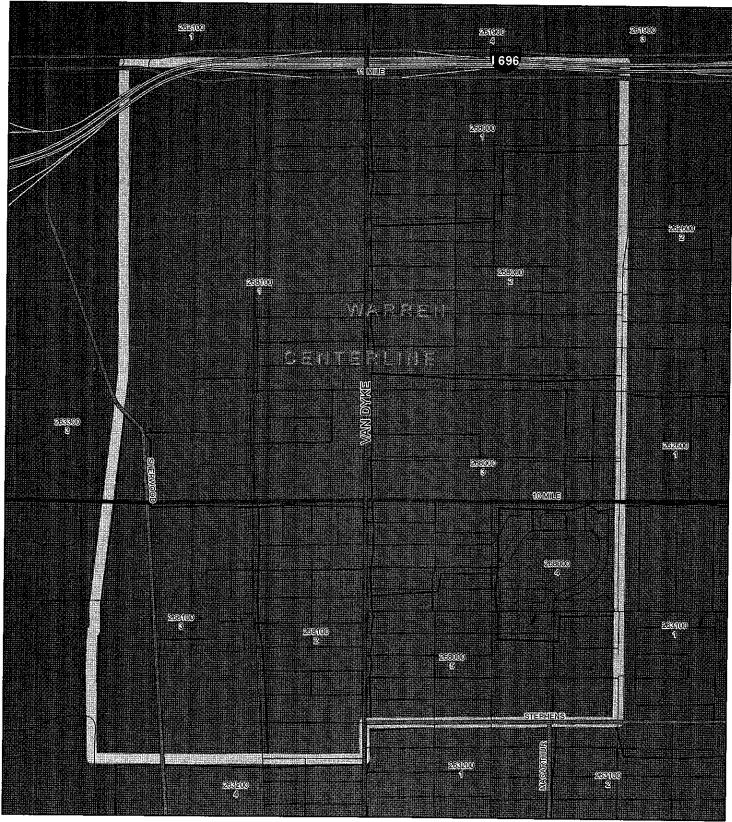
State and local laws against physically barring entrance to or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

- (13) Compliance with anti-discrimination laws. The NSP grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.
- (14) Compliance with lead-based paint procedures. The activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) Compliance with laws. The jurisdiction will con-	mply with applicable laws.
Signature/Authorized Official	Date
Title	

# HUD Neighborhood Stabiliztion Program Eligibility by Income Level

(51% of Persons in Block Group Parts with 2000 Incomes < 120% of Area Median Income)



Legend

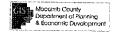
Municipal Boundaries

123400 U.S. Census Bureau Tract & Block Group Part Numbers 2

Middle-Low Mod Eligible Middle to Low-Mod Eligible Areas

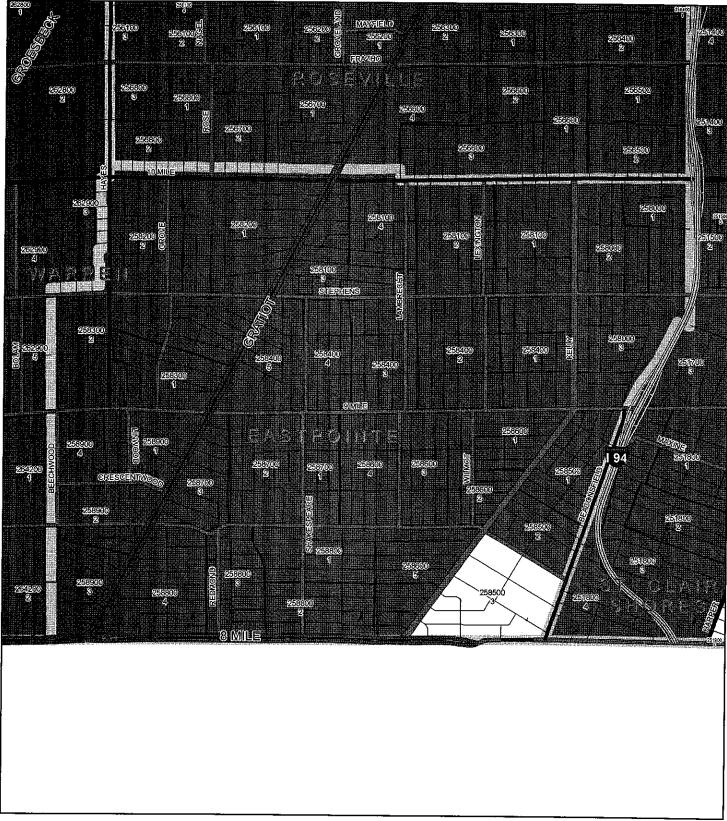


Source: HUD 2008 - Neighborhood Stabilization Program Supporting Data Set "MI 120 LM"



# HUD Neighborhood Stabiliztion Program Eligibility by Income Level

(51% of Persons in Block Group Parts with 2000 Incomes < 120% of Area Median Income)



Legend

Municipal Boundaries

123400 U.S. Census Bureau Tract & Block Group Part Numbers 2

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# HUD Neighborhood Stabiliztion Program Eligibility by Income Level (51% of Persons in Block Group Parts with 2000 Incomes < 120% of Area Median Income)



Legend

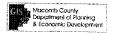
Municipal Boundaries

123400 U.S. Census Bureau Tract & Block Group Part Numbers

# Middle-Low Mod Eligible Middle to Low-Mod Eligible Areas



Source: HUD 2008 - Neighborhood Stabilization Program Supporting Data Set "MI 120 LM"



# RECYCLABLE PAPER

RESOLUTION NO.	FULL BOARD MEETING DATE: AGENDA ITEM:
	MACOMB COUNTY, MICHIGAN
RESOLUTION TO:	Receive and File the Report on Business Retention Activities
INTRODUCED BY:	Commissioners James Carabelli and Edward Bruley, Co-Chairs
DESCRIPTION:	
COMMITTEE/ME	
5ED	2-4-09

# MACOMB COUNTY: MAJOR EMPLOYERS 2008

# **FULL TIME**

	I OFF LIMIT	
NAME	<b>EMPLOYEES</b>	TYPE OF BUSINESS

General Motors	14.327	Auto Manufacturer
Chrysler, LLC	"	Auto Manufacturer
Ford Motor Company		Auto Manufacturer
Henry Ford Health System	3,736	Health Care
Utica Community Schools	3,676	Public Schools
St. John Health System	3,385	Health Care
Warren Consolidated Schools	2,707	Education
General Dynamics Land Systems Div.	2,500	Armored Military Vehicles Manufacturer
Cadence Innovation Corporation	•	Automotive Parts Supplier
Mount Clemens Regional Medical Center		Health Care
Chippewa Valley Schools	1,690	Education
Campbell-Ewald	1,300	Advertising Agency
AZ Automotive Corporation	1,048	Automotive Parts Supplier
Asset Acceptance Capital Corp.	836	Finance
Art Van Furniture	825	Retail Home Furnishings
TRW Automotive Holdings Corp.	700	Automotive Parts Supplier
Macomb Community College	672	Community College
Bridgewater Interiors, LLC	600	Automotive Parts Supplier
Mercy Mount Clemens Corp.	600	Health Care
MNP Corporation	600	Automotive Fasteners
US Manufacturing Corp.	600	Automotive Parts Supplier

Source: Crain's Detroit Business

Harris 2008 Michigan Industrial Directory

Macomb County Department of Planning and Economic Development

8/08





Prepared by:
Macomb County Department of Planning
& Economic Development.
Phone: 586.469.5285 Fax: 586.469.6787
Email: planning@macombcountyml.gov

**Macomb County Planning Commission** 

AN AGENCY OF THE MACOMB COUNTY BOARD OF COMMISSIONERS

# RECYCLABLE PAPER

RESOLUTION NO.	FULL BOARD MEETING DATE: AGENDA ITEM:
	MACOMB COUNTY, MICHIGAN
RESOLUTION TO: Recei	ve and File the Report on Business Attraction Activities
INTRODUCED BY: Comm	nissioners James Carabelli and Edward Bruley, Co-Chairs
DESCRIPTION:	
COMMITTEE/MEETING PED	G DATE 2-4-09

Itm#8

Distributed

# Department of Planning and Economic Development - 2009 Business Attraction Opportunities and Scheduled Retention/Expansion Events

# **OPPORTUNITIES**

# **SCHEDULED EVENTS**

February:

Wed. 2/11 @MISD - ThomasNet Seminar

Fri. 2/20 @MISD – <u>Macomb/St Clair</u>

<u>Alternative Energy Mfg. 101</u>
In collaboration w/NextEnergy and MEDC

March:

Tues.-Wed 3/3-3/4 @ Cobo - MI Wind Conference

April:

Mon. 4/20- Thurs. 4/23 @Hannover, Germany – <u>Hannover Fair</u> Wind 2009 (with DREP)

Mon. 4/20- Thurs. 4/23 @ Cobo Hall – SAE Conf. and Expo (with DREP)

Thurs. 4/23 @ TBD- <u>EDA Community Economic</u> <u>Adjustment Program Workshop</u>

Mon. 4/27- Fri. 5/8 @ DREP Visit to China & Korea

Thurs. 4/30 @ Ottawa, Ont., Canada - Defense Industry/Homeland Security Workshop - Why Michigan — Opportunities in Defense and Homeland Security (with DREP)

# **OPPORTUNITIES**

# **SCHEDULED EVENTS**

May:

Mon. 5/4- Thurs. 5/7 @ Chicago – AWEA-Windpower 2009 Conf. & Expo.

Mon. 5/11 @ Lansing - Green Jobs Conference

TENTATIVE DATE – Wed. 5/20 @ TBD Macomb/St. Clair Diversification Summit (with MEDC)

Mon. 5/18- Fri. 5/22 @ TBD - Automation Alley Canada Trade Mission

Wed. 5/27- Fri. 5/29 @ Hamilton, Ont., Canada – <u>Auto Parts Manufacturers</u> <u>Conf. and Expo</u> (with DREP)

# June thru December:

Opportunities to join **DREP in Asia** 

Opportunities to join **DREP in Europe** 

October: Automation Alley Mission to India

# RECYCLABLE PAPER

RESOLUTION NO	FULL BOARD MEETING DATE: AGENDA ITEM:
MAC	COMB COUNTY, MICHIGAN
RESOLUTION TO: Receive and File	the Report on Business Expansion
INTRODUCED BY: Commissioners	James Carabelli and Edward Bruley, Co-Chairs
DESCRIPTION:	
COMMITTEE/MEETING DATE	٩

# MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

# **BUSINESS INCUBATOR APPLICATION**



Submitted by:

Oakland University

Macomb County

City of Sterling Heights

January 15, 2009

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# GONTACT INFORMATION TO THE RESERVE OF THE PARTY OF THE PA

**LEAD ORGANIZATION:** Macomb – OU Incubator

ADDRESS: 6555 15 Mile Road

Sterling Heights, MI 48312

COUNTY: Macomb County

**PHONE:** 586-463-2542

**FACSIMILE:** 586-469-6787

WEBSITE: www.oakland.edu/macombincubator

David James

**AUTHORIZING OFFICIAL:** David A. Spencer

**OFFICE PHONE:** 248/648.4848

**CELLULAR PHONE:** 586/481.3050

**FACSIMILE:** 248/648.4799

EMAIL ADDRESS: daspence@oakland.edu

**AUTHORIZING OFFICIAL SIGNATURE:** 

### OTHER CHAI

×	Contact Information ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) (
×	Checklist 1 2 2 3 2 4 2 5 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7
×	Verification of Incubator Operations as of September 30, 2008
X	Executive Summary
×	Financial Plan 1. A second of the second of
×	Economic Impact
×	Vision and Focus  4 2 7 man and and and and and and and and and a
×	Incorporation, Governance, and General Policies
×	Facilities
×	Staffing and Services
×	Client Management

# VERIFICATION (CHANGULA (ORGONERACIONS ASSOLASED LA MBERRO 2008 ASSO

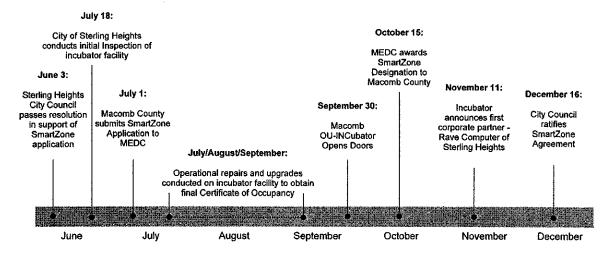
The Macomb-Oakland University Business Incubator (Macomb-OU INC) commenced operations on September 30, 2008. Located in an industrial complex on 15 Mile Road in Sterling Heights, Michigan, the business incubator provides entrepreneurs with comprehensive support to include office space, business development services and access to financing. Laboratory space is also available for researchers to explore options regarding the creation or improvement of individual products.

Since opening for business, Macomb-OU INC has fielded 28 direct phone and on-line inquiries from prospective incubator client companies spanning several industries. The Macomb County Department of Planning and Economic Development (MCPED) in conjunction with its Small Business Technology Development Center (SBTDC) office, has conducted preliminary assessments on the services required by the inquiring entrepreneurs. They were then referred to the appropriate economic development staff members and business counselors to evaluate business plans, determine financing needs and assess other essential business start-up services. To date, eight of the growth-oriented and/or emerging sector businesses have become active clients of the SBTDC and are taking advantage of classes and services designed for early-stage companies and entrepreneurs. Pending comprehensive due diligence, several entities have demonstrated a strong probability of becoming incubator tenants to include:

- An inventor who holds a patent on a stealth system for securing doors and other entry points for vehicles.
   Industry Focus: Defense and Homeland Security
- Several existing defense manufacturers looking for space to develop new products to meet evolving needs of the military. Industry Focus: Defense
- A successful manufacturer of automotive parts who is preparing to manufacture wind turbines. Industry Focus:
   Alternative Energy and Advanced Manufacturing
- An engineer who holds a patent and FDA approval for a device he designed to relieve spinal pain and migraine headaches. Industry Focus: Medical Devices
- A successful web-site developer who has created a new site for actors and others professionally involved in the film industry to post electronic resumes. Industry Focus: Technology

Macomb-OU INC has also introduced a Corporate Partners Program - a public-private sector business alliance between the incubator and experienced, pre-qualified business services firms under which the corporate partners commit to provide financial support, volunteer for client company Kitchen Cabinet Advisory Boards and/or offer discounted business services. In early December 2008, the incubator signed its first corporate sponsor, Rave Computer Association Inc. of Sterling Heights. Rave provides customized computer solutions for original equipment manufacturers, systems integrators, military contractors, software vendors and application service providers.

# . Verification of Operations for the Macomb-OU INC Business Incubator



# BIOGINES SISTEMA

### CONTROLLY DESIGNATION OF THE PROPERTY OF THE P

The City of Sterling Heights, the County of Macomb and Oakland University (SmartZone Partner organizations) have developed a comprehensive strategic plan which has lead to the designation of the **Macomb Technology Advancement SmartZone**. On June 3, 2008, the Sterling Heights City Council passed a resolution in support of the SmartZone application. In that resolution, the City agreed to serve as the host location for the SmartZone and to utilize its established Local Development Financing Authority (LDFA) in support of the effort.

As part of the SmartZone, the partner organizations have seized the window of opportunity and established the **Macomb-Oakland University Business Incubator (Macomb-OU INC)**. Macomb-OU INC is currently housed in a three-building location at 6555 15 Mile Road in Sterling Heights. A very favorable occupancy arrangement has been secured with the owner requiring minimal redevelopment and up-front investment. Since the LDFA will not begin to yield significant financial resources until year three, Macomb County and the City of Sterling Heights will provide the necessary additional financial support to ensure a sustainable business incubator.

This culmination of the SmartZone designation and the operational business incubator is in line with the State of Michigan's long-term strategies for job retention and creation, and will fill the critical void that exists in Southeast Michigan - a significant driving economic force for the State.

Macomb-OU INC and the Macomb Technology Advancement SmartZone have an opportunity to provide the State of Michigan with an important foothold in two key industry sectors: Defense and Advanced Manufacturing. Overall, six specific industries will be targeted, all poised for certain growth based upon existing strengths. The SmartZone Partner organizations project a dense cluster of technology-based companies operating within Sterling Heights and proliferating throughout Macomb County. By 2010, Macomb – OU INC will be responsible for the creation of 11 new companies employing 119 individuals with those numbers increasing to 36 and 458 respectively over the next 4 years.

Oakland University and specifically, OU INC will play integral roles in the development and management of the business incubator. Commercialization efforts will benefit significantly from comprehensive access to OU faculty, research staff, and the twelve existing OU centers and institutes. OU INC will extend its business model and most successful practices and innovations to Macomb-OU INC to include the replication of a innovative decision support system known as a "collaboratory."

While the preliminary long-term staffing structure for Macomb-OU INC has been developed as part of the strategic plan, the business incubator is presently operating with limited staff support as additional funding sources are secured. The SmartZone Partner organizations have identified and engaged an accomplished expert in the area of business acceleration to serve as Managing Director of the new business incubator.

The Macomb-OU INC business incubator will provide clients with a number of technology-based, value-added commercialization and business acceleration services to include, but not limited to the following:

- Business Process Design
- Financial Acquisition and Capital Development
- Business and Market Research
- General Business Research and Development
- Leadership and Group Work Team Development

Recognizing the need for a broad array of business expertise not easily found under the umbrella of a single organization, the business incubator will work to provide these services in cooperation with various project partners.

Macomb-OU INC specifically requests \$249,600 in funding to support the operation of the business incubator. Funds will be used to support essential incubator personnel, equipment procurement and other operational expenses as detailed in the financial plan.

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The SmartZone Partner organizations have created a sustainable business model in order to determine the cash requirements for the Macomb-Oakland University Business Incubator. This business model has been used by Oakland University in coordination with the City of Sterling Heights and Macomb County Planning and Economic Development as a baseline to create an annual incubator operating budget. Upon completion, the preliminary budgets are submitted to the President of Oakland University for review and authorization before being forwarded to the City of Sterling Heights and the Macomb Technology Advancement SmartZone LDFA Board for consideration and approval. The Macomb-OU INC fiscal year will coincide with the Oakland University budget year (June 30 through July 1). A timeline for completion of the initial budget draft, review process and appropriate authorizations will be jointly agreed upon by OU, the City of Sterling Heights, and the SmartZone LDFA Board. The foundation upon which this model and the annual operating budget were built is further detailed in the following paragraphs.

It is important to note that the business model involves an occupancy agreement between the incubator and the building owner/landlord. Under this model, incubator tenants lease directly with the building owner and pay an additional amount per square foot leased to the incubator to cover a portion of the cost of incubator services. This unconventional, yet innovative, structure allows Macomb-OU INC to focus on its core function during its start-up phase, rather than on facilities leasing and management. The building owner is responsible for rent collections, utilities, maintenance, taxes, and any insurance with the buildings, and these costs are procured from the tenant clients directly or indirectly through the lease rate. The incubator has the sole responsibility of developing and working with clients while maintaining occupancy in the building.

### General Financial Assumptions

Oakland University has a signed occupancy agreement for the three-building location at 6555 15 Mile Road in Sterling Heights, Michigan. Further, the City of Sterling Heights has performed the necessary redevelopment to structure the property as a business incubator and begin renting to incubator clients. The occupancy plan is as follows:

- 1. Move in and begin leasing Building A (19,229 Sq. Ft., 15,960 rentable) in 2008
- 2. Move in and begin leasing Building C (31,798 Sq. Ft., 28,936 rentable) in 2009/2010.
- 3. Move in and begin leasing Building B (17,844 Sq. Ft., 16,952 rentable) in 2011/2012.

This will result in 61,848 square feet of rentable space to be phased in over the first four years of the incubator with full occupancy (80%) being reached in year 2012.

The SmartZone Partner organizations have provided a 10-year financial analysis that includes customary sources (revenues) and uses (expenses) of funds as further discussed below. It is important to note that Macomb-OU INC does not derive any lease revenue from tenant clients, nor does it make any lease or mortgage payments on the building as a result of the "occupancy agreement" structure.

### Initial Incubator Funding Sources

Initial funding for the Macomb-OU business incubator and the Macomb Technology Advancement SmartZone was secured through the following sources:

- Small Business Administration Grant Award (P.L. 110161; Congressional Rec. 16057-62) \$282,000
- Macomb County Planning and Economic Development; cash contribution \$7,631
- Rave Computer Association; Corporate Sponsorship contribution \$10,000

### Other Sources of Funds

Macomb–OU INC will also rely upon supplemental revenue generated from client fees and services as well as garnered community support. These and other funding sources are listed and further explained below.

- Local Development Finance Authority
- Client Fees
- Client Services Fees
- General Consulting Services
- Commercialization Contracts
- Corporate Partners
- SmartZone Partner Organizations/Grants
- Michigan Pre-Seed Capital Financial Support (proposal submitted)
- State of Michigan Support

The combination of these cash inflow items effectively represents the sustainability plan for the incubator. All client fee revenues, consulting service revenues, corporate and other giving, and state and local support allow the incubator to be cash flow positive through the first 10 years of operations and beyond (please see data sheet providing profit and loss/cash flow information for years one through ten further in this section).

1. Local Development Finance Authority (LDFA)

The LDFA will provide a significant amount of cash resources. Beginning in YR 3 (2011/12), the LDFA will provide approximately \$310,000. This amount is expected to increase year-by-year to an amount in YR 10 (2018/19) totaling approximately \$350,000. The LDFA is the largest funding source accounting for almost 30% of the funding for the incubator over the 10-year term.

2. Client Fees (per square foot allocation)

The Macomb-OÜ INC facility will be paid what could be considered a "surcharge" on the lease rate negotiated between the building owner/landlord and the tenant client. This "surcharge" is currently estimated at \$1.50/sq ft to cover a portion of the incubator services to tenant clients. It also compensates the incubator for providing occupancy to the building owner/landlord.

Obviously, the cash inflow line item is driven by occupancy. Occupancy for the buildings is estimated to average 20% in the incubator's first six months, rising to 45% in the program's first full year (2009/10), to 70% in YR 2 (2010/11), and to full sustainable occupancy of 80% in YR 3 (2011/2012).

Cash inflow to the incubator generated by the surcharge ranges from approximately \$40,000 in YR 1 (2009/10) and increases to just under \$100,000 in YR 10. These fees account for just under 10% of funding for the incubator over the 10-year term.

- 3. Client Services Fees (Annual Memberships, Kitchen Cabinet Advisory Boards, etc.)
  Client fees consist of standardized membership fees (based on affiliate or tenant client status) as well as charges for the development of client-specific kitchen cabinet advisory boards and other client service programs. These fees account for approximately 19% of the total resources available to the incubator over the 10-year period. Estimates for number of clients to be served during the 10-year analysis period can be found in the Economic Impact section of this application.
- 4. General Consulting & Commercialization Contracts

General consulting includes advice and counsel provided by incubator staff to incubator clients; while the referenced commercialization contracts are direct consulting engagements typically with larger, more established companies interested in commercializing intellectual property. These fees account for 2% and 10% respectively of the total resources available to the incubator over the 10-year period.

5. Corporate Partners

Oakland University has assisted Macomb County and the City of Sterling Heights in developing a corporate partnership program for the incubator. It is projected to account for an amount totaling just under 15% of the resources available to Macomb-OU INC over the 10-year period analyzed.

- 6. SmartZone Partner Organizations Macomb County/City of Sterling Heights/Oakland University All three key partners of this incubator will either raise money or directly provide funds to the incubator with a projected contribution totaling approximately 14% of the cash inflows of the incubator.
- 7. Michigan Pre-Seed Capital Financial Support for Consulting Services
  Macomb-OU INC has applied to the Michigan Pre-Seed Capital Fund for \$25,000 in available financial support for assisting in the development of client applications to the fund. This is a nominal amount of the incubator's cash inflow.

### 8. State of Michigan Support

Should this proposal be accepted, it would represent less than 3% of cash inflow to the incubator over the first 10 years.

Below is a summary of the sources of funding for the Macomb-OU INC and the projected percent of total resources:

LDFA '	29.0%
Client Services Fees	18.9%
Corporate Partners	14.0%
Macomb County/Sterling Heights/Oakland University Grants & Giving	11.5%
Net Commercialization Contracts	9.7%
Client Fees (per sq ft)	9.1%
State of Michigan Support	2.7%
General Consulting Services and Fees	2.3%
City of Sterling Heights	2.3%
Michigan Pre-Seed Capital Financial Support for Consulting Services	0.5%

### Uses of Funds (Costs)

Given the new occupancy structure of the incubator, there are primarily three large cost line items - two of which are largely non-recurring. Personnel costs are, by far, the largest operating cost representing almost 87% of all operational expenses over the 10-year period (minus contingencies), or almost \$650,000 on average per annum. The other 13% (approximately \$100,000 on average per annum) consists of the following line items:

- Data System(s)
- Copier Supplies & Service
- Security System
- Website Maintenance
- Meals

- Subscriptions
- Printing/Typesetting
- Postage
- Marketing

- Incubator Insurance
- Office Supplies
- Travel
- OU Indirect Expenses

Non-operating costs consist of the following:

- 1) \$145,000 in SmartZone R&D and incubator preparation; (Funded by SBA Grant Award)
- 2) An average of approximately \$65,000 annually in contingency costs over the first 10 years
- 3) \$125,000 in capital costs related to the first six months in the buildings

### **MEDC Funding Request**

The Macomb-OU business incubator is requesting funding in the amount of \$249,600. Since the incubator has only been in existence since September 2008, these funds would be largely invested in assisting to move the incubator to a higher capacity level. Additionally, until the incubator reaches an occupancy level that supports operations, certain operating costs in the first 18 months would be covered by the grant. All of the anticipated line items and budgeted amounts are listed below:

Budger Line Ham	Amount
EQUIPMENT	
Security system (installation and set-up)	\$20,000
Incubator management software	3,700
EQUIPMENT SUBTOTAL	\$23,700
PERSONNEL	
Senior Business Commercialization Specialist	\$99,700
Assistant Director of Corporate Affairs	65,000
Executives-in-Residence	30,000
Student Interns	12,500
PERSONNEL SUBTOTAL	\$207,200
OTHER	
Marketing and printing expenses	\$16,000
Security system operating expenses	2,700
OTHER SUBTOTAL	\$18,700
TOTAL FUNDING REQUEST	\$249,600

On the following page is the business model for Macomb-OU INC which effectively serves as a profit and loss and cash flow statement. A quick review will show that the requested amount of \$249,600 (YR 1 - \$149,600; YR 2 - \$100,000) will allow the incubator to be sustainable, despite negative operating cash flow in YR 2 (2010/11). Significant Operating Cash Flow becomes evident in YR 3 (2011/12) as the incubator is projected to be near a sustainable level with both full occupancy and sufficient support from the LDFA. It is at this point that the incubator will begin contributing to a sinking fund to serve as a source for a reserve funding to maintain sustainability upon expiration of the LDFA.

No balance sheet projections are supplied at this time as the balance sheet would effectively consist of assets including cash and equipment; and equity on the liabilities and equity side. There will be no long-term debt. Accounts receivable and accounts payable will be minimal and extremely short-term.

Year	1st 6 months 2009 Start-up	2009/2010	2010/2011 2	2011/2012 3	2012/2013 4	2013/2014 5	2014/2015 6	2015/2016 7	2016/2017 8	2017/2018 9	2018/2019
Square Footage Leased by Incubator							_				
Building A Building B	19,229 17,844	19,229	19,229	19,229	19,229	19,229	19,229	19,229	19,229	19,229	19,229
Building C	31,798	17,844 31,798	17,844 31,798	17,844	17,844	17,844	17,844	17,844	17,844	17,844	17,844
	31,700	31,790	31,180	31,798	31,798	31,796	31,798	31,798	31,798	31,798	31,798
Average Occupancy Building A	20%	45% 45%	70% 70%	80% 80%	80%	80%	80%	80%	80%	80%	80%
Building 8	20%	45%	70%	80%	80% 80%	80% 80%	80%	80%	80%	80%	80%
Building C	20%	45%	70%	80%	80%	80%	80% 80%	80% 80%	80%	80%	80%
-					00%	00%	0076	80%	80%	80%	80%
Square Feet Leased by Incubator	66,871	68,871	68,871	68,871	68,871	68,871	68,871	68,871	68,871	68,871	68,871
Rentable Square Feet	61,648	61,848	61,848	61,848	81,848	61,848	61,848	61,848	61,848	61,848	61,846
Rented Square Feet	12,370	27,832	43,294	49,478	49,478	49,478	49,478	49,478	49,476	49,478	49,478
Cash Inflows & In-Kind Support											
LDFA	\$0	0	0	\$310,699	\$316,355	\$321,893	\$327,514	\$333,219	\$339,010	\$344,887	\$350,853
Client Fees (per Sq Ft Allocation)	\$18,554	\$41,747	\$68,889	\$78,738	\$81,100	\$83,533	\$86,039	\$88,620	\$91,278	\$94,017	\$98,837
Client Fees (Annual Membership, Kitchen Cabinet, etc.) State of Michigan Appropriation	\$7,778 \$150,000	\$35,000 \$100,000	\$83,250	\$123,250	\$139,000	\$190,000	\$222,500	\$222,500	\$233,750	\$233,750	\$233,750
Michigan Pre-Seed Capital Financial Support for Consulting		\$100,000	\$0 \$0	\$0 \$0	\$0 \$0	\$0	\$0	\$0	\$0	\$0	\$0
General Consulting Services/Fees	\$4,639	\$10,437	\$16,722	\$19,684	\$20.275	\$0 \$20,883	\$0	\$0	\$0	\$0	\$0
Oakland University - Corporate Partners	\$75,000	\$100,000	\$100,000	\$125,000	\$20,275 \$125,000	\$125,000	\$21,510 \$125,000	\$22,155 \$125,000	\$22,820	\$23,504	\$24,209
Macomb County/SH/OU Inc. Gifts & Grants	\$72,500	\$72,500	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$125,000	\$125,000	\$125,000
City of Sterling Heights	\$30,000	\$30,000	\$50,000	\$50,000	\$50,000	\$0	\$100,000	\$100,000	\$100,000 \$0	\$100,600 \$0	\$100,000 \$0
Net Commercialization Contracts	\$0	\$15,000	\$30,000	\$40,000	\$50,000	\$75,000	\$100,000	\$125,000	\$150,000	\$150,000	\$150,000
Total Revenues	\$383,471	\$429,684	\$446,861	\$647,571	\$881,730	\$916,309	\$982,562	\$1,016,494	\$1,061,858	\$1,071,158	\$1,080,650
,	st 6 months 2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
Cash Costs: Operating & Admin Expenses	Start-up	1	2	3	4	5	6	7	8	9	10
Personnel	\$135,445	\$250,272	\$337,216	\$512,968	\$609,318	\$632,380	\$696,813	\$717,223	\$805,322	\$829,013	\$653,429
Smartzone R&D and Incubator Prep	\$72,500	\$72,500								•	
Data System	\$9,000	\$18,000	\$18,540	\$19,096	\$19,669	\$20,259	\$20,887	\$21,493	\$22,138	\$22,802	\$23,486
Copier Supplies & Service Monthly Phone Charges - OU Inc Only	\$1,500 \$4,080	\$3,000 \$8,160	\$3,090 \$6,405	\$3,183	\$3,278	\$3,377	\$3,478	\$3,582	\$3,690	\$3,800	\$3,914
Security System	\$900	\$1,800	\$0,405 \$1,854	\$8,657 \$1,910	\$6,917 \$1,967	\$9,184 \$2,026	\$9,460	\$9,743	\$10,036	\$10,337	\$10,647
Website Maintenance	\$1,200	\$2,400	\$2,472	\$2,546	\$2,623	\$2,026	\$2,087 \$2,782	\$2,149 \$2,866	\$2,214 \$2,952	\$2,280	\$2,349
Meals	\$800	\$1,600	\$1,648	\$1,697	\$1,748	\$1,801	\$1,855	\$2,000 \$1,910	\$2,952 \$1,968	\$3,040 \$2,027	\$3,131 \$2,088
Subscriptions	\$600	\$1,200	\$1,236	\$1,273	\$1,311	\$1,351	\$1,391	\$1,433	\$1,476	\$1,520	\$1,566
Printing/Typesetting	\$2,000	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502	\$4,637	\$4,776	\$4,919	\$5.067	\$5,219
Postage	\$500	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126	\$1,159	\$1,194	\$1,230	\$1,267	\$1,305
Marketing Incubator Insurance	\$5,000 \$5,000	\$5,000 \$5,000	\$5,150 \$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524
Office Supplies	\$2,630	\$3,260	\$5,150 \$3,358	\$5,305 \$3,459	\$5,484 \$3,562	\$5,628 \$3,669	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524
Travel	\$5,000	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$3,779 \$5,796	\$3,893 \$5,970	\$4,009	\$4,130	\$4,254
Oakland University - Indirect Expenses	\$0	\$10,000	\$25,750	\$26,523	\$27,318	\$28,138	\$28,982	\$29,851	\$6,149 \$30,747	\$6,334 \$31,669	\$6,524
Contingency, Equipment, & Maintenance	\$0	\$20,000	\$25,000	\$50,000	\$50,000	\$50,000	\$100,000	\$100,000	\$100,000	\$75,000	\$32,819 \$75,000
Total Cash Costs	\$246,155	\$412,192	\$449,169	\$652,529	\$751,566	\$777,395	\$894,679	\$918,025	\$1,009,148	\$1,010,954	\$1,038,578
Annual Operating Cash Surplus/Shortfall	\$137,316	\$17,492	-\$2,308	\$195,042	\$130,163	\$138,914	\$87,883	\$98,469	\$52,710	\$60,204	\$42,072
Early Year Capital Costs	\$125,000										
Cumulative Cash Surplus/Shortfall	\$12,316	\$29,808	\$27,500	\$222,542	\$352,706	\$491,619	\$579,503	\$677,972	\$730,662	\$790,886	\$832,957
Personnel Cost	-10	200000011									
Personne?	st 6 months 2009 Blart-up	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2018	2016/2017	2017/2018	2018/2019
OU Executive Director	\$54,579	\$72,772	\$56,216	\$57,903	\$23,858	\$24,572	\$25,309	\$26,068	\$26,850	\$27,658	\$28,485
Assistant Director of Corporate Affairs	\$0	\$65,000	\$65,000	\$103,000	\$106,090	\$109,273	\$112,551	\$115,927	\$119,405	\$27,000 \$122,987	\$28,465 \$128,677
OU Executive Director Pay Back	\$36,166	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$122,557	. \$0
Senior Business Commercialization Specialist/s	\$24,700	\$75,000	\$77,250	\$79,568	\$81,955	\$84,413	\$86,948	\$89,554	\$92,241	\$95,008	\$97,858
Executive in Residence	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$20,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Student Interns Accrued Compensated Absences	\$0 \$5,000	\$12,500	\$25,750	\$26,523	\$27,316	\$28,138	\$38,548	\$39,702	\$51,117	\$52,650	\$54,230
Managing Director/Finance & Operations	\$5,000 \$0	\$10,000 \$0	\$10,500 \$87,500	\$11,025 \$169,950	\$11,576	\$12,155	\$12,763	\$13,401	\$14,071	\$14,775	\$15,513
Contracted Grant Writer	\$0 \$0	\$0	\$67,500 \$0	\$50,000	\$175,049 \$51,500	\$160,300 \$53,046	\$185,709 \$54,636	\$191,280	\$197,019	\$202,929	\$209,017
Student IT/Lab Managers	\$0	\$0	\$0	\$00,000	\$50,000	\$51,500	\$53,045	\$56,275 \$54,636	\$57,964 \$56,275	\$59,703 \$67,984	\$61,494
Administrative Assistants (2-Part Time)	\$0	SO	\$0	\$0	\$44,850	\$45,990	\$47,369	\$48,790	\$50,254	\$57,964 \$51,762	\$59,703 \$53,314
Part-Time/Full-Time Markeling	\$0	SO	\$0	\$0	\$22,325	\$22,995	\$23,685	\$24,395	\$25,127	\$25,881	\$53,314 \$26,657
Part-Time/Full-Time LabTech	\$0	\$0	\$0	\$0	\$0	\$0	\$31,255	\$32,193	\$90,000	\$92,700	\$95,481
Total	\$135,445	\$250,272	\$337,216	\$512,968	\$609,318	\$632,380	\$696,813	\$717,223	\$805,322	\$829,013	\$853,429

### Macomb-OU INC Impact on Jobs

As a result of the SmartZone designation and the launch of the Macomb-OU INC business incubator, it is projected that a dense cluster of technology-based companies will emerge and begin operating within Sterling Heights and proliferate throughout Macomb County. As referenced in the Verification of Operations, the incubator is presently fielding inquiries and beginning the due diligence process in order to formalize prospective client relationships. By the end of the 2<sup>nd</sup> quarter of 2010, Macomb-OU INC anticipates the incubation of 23 new companies employing almost 250 individuals with those numbers increasing to 40 and over 600 respectively over the next 5 years. Forecasts through 2023 are below.

Total Clients Served	11	23	33	36	40	45	45	45
Start-Up & Emerging Affiliate Member Clients	3	8	13	16	20	25	25	25
Start-Up & Emerging Tenant Clients	8	15	20	20	20	20	20	20
Buelpesses Served	2009	2010	2011	2012	2013	2014	2015	2016

Businesses Served	2017	2018	2019	2020 .	2021	2022	2023	
Start-Up & Emerging Tenant Clients	20	20	20	20	20	20	20	11111
Start-Up & Emerging Affiliate Member Clients	25	25	25	25	25	25	25	
Total Clients Served	45	45	45	45	45	45	45	12.01

Jobs Analysis The Chief Chief Chief Chief	2009	2010	2011	2012	2013	TOTALS
Total Direct Jobs Created and/or Maintained <sup>1</sup>	119	130	84	125	151	609
Total Indirect Jobs Created and/or Maintained <sup>2</sup>	59	65	42	63	76	305
Total Jobs Created	178	195	126	188	227	914

### Local Tax Revenue Generation

Based on the City of Sterling Heights IFEC data over the past 5 years; every \$196,000 of investment correlates to one direct job created<sup>3</sup>. The chart below examines the investment related to the economic impact mentioned above as well as the tax revenue estimates to all taxing jurisdictions. New investment levels will reach \$119,364,000 (\$59,682,000 Taxable Value) by 2014.

	navestinent	Taxable Value	School		dal	City	County	MCCC	HCMA	SMART
									g Migratik	
2010	\$23,324,000	\$12,740,000	\$209,916	\$69,972	\$34,321	\$125,075	\$49,045	\$16,574	\$2,503	\$6,881
2011	\$25,480,000	\$10,584,000	\$229,320	\$76,440	\$37,494	\$136,637	\$53,578	\$18,106	\$2,734	\$7,517
2012	\$16,464,000	\$13,328,000	\$148,176	\$49,392	\$24,227	\$88,288	\$34,620	\$11,699	\$1,767	\$4,857
2013	\$24,500,000	\$19,012,000	\$220,500	\$73,500	\$36,052	\$131,381	\$51,517	\$17,410	\$2,629	\$7,228
2014	\$29,596,000	<u>\$18,032,000</u>	<u>\$266,364</u>	\$88,788	<u>\$43,551</u>	<u>\$158,709</u>	<u>\$62,233</u>	<u>\$21,031</u>	<u>\$3,176</u>	<u>\$8,731</u>
Totals	\$119,364,000	\$59,682,000	\$1,074,026	\$358,092	\$175,644	\$640,089	\$250,993	\$84,820	\$15,815	\$35,212

<sup>1</sup> Calculations based upon: (ref.themedc.org/cm/attach/DA889C19-C8A6-434A-9FE4-F5440B4B7DF7/MISmartZonefactsheet.pdf)

<sup>&</sup>lt;sup>2</sup> Estimates based upon analysis of indirect incubator job multipliers ranging from 1.0 to 2.0; Mid-range multiplier of 1.5 was utilized.

This average does not include investments into Ford Transmission and Axle, Chryster Stamping and Assembly or General Dynamics. The investments at these locations are anomalies when making this comparison. The auto plants routinely invest millions in upgrades without creating jobs. In the case of the General Dynamic's facility, it is at a functional level that allows hundreds of employees to be added with a low level of investment to accommodate the growth.

### Supplemental Benefits from Macomb-OU Business Incubator

A Macomb County business incubator, supported by the SmartZone designation in the City of Sterling Heights, is expected to result in a number of supplemental benefits for the community and the state. The SmartZone Partner organizations recognize the potential impact to the local economy and are poised to mobilize a plan to further capitalize upon these benefits.

Macomb County has the potential to position itself as an important foothold for the State of Michigan in the defense and homeland security industries. Presently, several leading contractors for the federal government are located in the county - most notably General Dynamics Land Systems, BAE Systems, and Burtek. As top employers, these companies are deeply invested in the community to include recent investments totaling more than \$53.2 million reflecting retention of more than 300 jobs and a promise to create an additional 1,000 positions. By providing additional space for research and development activities, Macomb-OU INC offers existing companies the supplemental resources necessary to spin-out new ventures and further advance the region as a center for new business innovation. Further, according to a study commissioned by the Michigan Business Incubator Association, 80 percent of incubator graduating companies stay within the community where they began. As tenants reach graduation benchmarks and new technologies are commercialized, it is expected that start-up companies will expand into existing or new buildings within the City of Sterling Heights, Macomb County, and the region.

It is anticipated that the launch of the incubator will also help to retain and attract young professionals. A recent press release from the Mid Michigan Innovation Center, a mixed-use business incubator in Midland, stated the average salary for employees within the incubator is \$54,000, significantly higher than the current state average of \$33,000. Making technology-based jobs available in population dense Macomb County will help to retain college graduates as well.

### Business Incubator Impact on Local and State-Wide Long-Term Economic Development Strategy

The State of Michigan has several aggressive economic development strategies to meet the changing needs of the State. Most relevant is *The Michigan 21st Century Investment Fund*. The Program seeks to foster the creation and growth of Michigan companies, help diversify Michigan's economy, facilitate the retention and creation of jobs in Michigan, and help encourage the growth of venture capital, private equity and mezzanine investing in Michigan.

The creation of the new business incubator facilitated through the recent SmartZone designation is perfectly aligned with the State's strategies to nurture business and make use of existing workforce capabilities. This formidable combination is poised to fill a critical void that exists in Southeast Michigan which, arguably, serves as the key economic engine for the State. With additional funding to render the business incubator fully operational, the region will be able to move forward with a complete arsenal of resources to expand and compete nationally.

Additionally, Macomb-OU INC will further complement a number of other programs intended to spur economic activity and growth within the region. Specifically:

- The proposed Local Development Financing Authority (LDFA) district supporting the Macomb Technology Advancement SmartZone as well as the proposed incubator site will be located within a Federal HUBZone Census Tract # 26099231300. Therefore, incubator clients will be eligible to participate in the HUBZone Empowerment Contracting Program. Eligible companies located within a HUBZone can qualify for higher SBA-guaranteed surety bonds on construction and service contract bids. Firms in Empowerment Zones and Enterprise Communities (EZ/EC) can also benefit from employer tax credits, tax-free facility bonds, and investment tax deductions.
- The City of Sterling Heights has created a Corridor Improvement Authority (CIA) located in the north central portion of Sterling Heights and includes properties bordering Van Dyke Road

between 18 ½ Mile Road to the north City limit and along Utica Road between Van Dyke Road and Triangle Drive. Among the primary goals of the CIA for the District are: enhancement of public spaces within the district; delineation of the district through a consistent theme/style along district right of way; provision of a unified building style (façade improvement program) to be implemented through development and re-development of properties within the District; and economic growth and increased property values.

- The establishment of a Special Assessment District (to be known as the Lakeside Shopping District) shall enhance the physical improvements and operational duties of the district by creating a visible brand through the proposed public improvements to the rights of way that service the district. The establishment of the Lakeside District is a pre-emptive measure to solidify the Lakeside area as a premier shopping destination.
- The City of Sterling Heights tax abatement program continues to encourage new investment. In 2007/2008, \$90,586,358 of new investments were provided tax abatements. These investments led to the creation of 718 new jobs. Notable investments include \$10 million by General Dynamics creating 75 jobs and \$58 million by BAE Systems creating 460 new jobs. Overall, since 1998, \$3.2 billion of new investments have created 4,593 new jobs.
- In 2008, the City of Sterling Heights created an LDFA to assist with the BAE Systems expansion at the former TRW facility.
- The Sterling Heights Brownfield Redevelopment Authority offers private developers an
  opportunity to take advantage of tax incentives and grant programs to redevelop underutilized
  and obsolete properties, as well as remediate those properties that may be contaminated. To
  date, the Brownfield Program has facilitated \$15 million in new investment and 320 new jobs.

Macomb County, recognizing the need to diversify its industrial base, has committed new resources to economic development as evidenced by a dedicated staff that has doubled from four full-time employees to eight full-time economic development specialists who work to retain, expand, attract and create new businesses. As will be explained in greater detail, the County has targeted six specific industries: homeland security; defense; advanced manufacturing; alternative energy; advanced automotive; and medical devices – which are poised for certain growth based on existing strengths as part of a long-term strategy for stimulating economic growth.

### Measuring Incubator Effectiveness

The Macomb-OU INC is in the process of creating more detailed strategies, goals and milestones based on the June 30, 2008 SmartZone application and the forecasts and operational plans outlined in this proposal. The incubator will formally measure plan progress, successes and needed adjustments on a quarterly basis with the City of Sterling Heights, Macomb County and senior executives at Oakland University. In addition to the quarterly milestone and plan reviews, the Executive Director meets monthly with OU President Dr. Gary Russi regarding the progress of Macomb-OU INC.

Macomb-OU INC staff also meets on a quarterly basis with the Oakland University controller and the Financial Performance Review Committee group to review the financial performance and upcoming forecasts for the incubator. At fiscal year end, the Macomb-OU INC will undergo an audit with the OU Internal Audit Department. The audit report will be made available to the State, City of Sterling Heights, the SmartZone LDFA and Macomb County as required.

Because Macomb-OU INC is in its infancy, it is not possible to give historical data on the effectiveness of past incubator operations; however, to comply with RFP requirements the following projections are being supplied for YR 1 and YR 5 based upon outputs from the business model.

Projections on Incubator Effectiveness

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Effectiveness of incupator Operations (E.), The Bernstons (E.)	が利用に対するar-1 (Projected) 地	tal Pryear 5 (Projection) - T
a. Average capital investment cost	\$125,000	Up to \$50,000
b. Average yearly operating costs	\$339,692	\$777,395
c. % revenue from public subsidies	53%	46%
d. Incubator space (sq. feet) <sup>2</sup>	27,832	49,472
e. Average annual lease income <sup>3</sup>	\$41,747	\$83,533
f. Number of incubator clients <sup>4</sup>	23	40
Social and Economic Impact with a second state of the second	<b>第16 中国共和国的</b> 基本的基础	garage (article) line to be
a. Incubator occupancy rates <sup>5</sup>	45%	80%
b. Average length of tenancy <sup>6</sup>	2.8 years	2.8 years
c. Number of management staff	2 (part-time)	3 (1 part-time)
d. Ratio of incubator staff/clients	App. 1 FTE/10 Clients	App. 1 FTE/6 Clients
e. % of manager's time advising clients	60%	70%
Sustainability	and the property of the property of the party of the part	
a. Survival rate of tenant firms five years after graduating	N/A to start-up incubator	N/A to start-up incubator
b. Average % growth in client turnover	N/A to start-up incubator	N/A to start-up incubator
c. Average jobs per tenant company	11	9
d. New graduate jobs per incubator	N/A to start-up incubator	89
e. Cost per job <sup>7</sup>	\$2,120 <sup>7</sup>	\$5,140 <sup>7</sup>
f. Total graduates/annual average graduates	N/A to start-up incubator	N/A to start-up incubator
g. Total revenue of tenants/average revenue of tenants	N/A to start-up incubator	N/A to start-up incubator
Majorint-OUTINC VB 1 (July 2009 to bing 2010).	斯拉尔斯巴尔斯克罗尔斯 <b>迪斯</b> 尔西斯	
Since Macomb DUINC does not hold leases with incubator clients	(occupancy agreement structure) to	The tem represents the
person i charge to en anticlients for incubatorisen/ices Averson liquie for VII d. this number is loner at the beginning of th		<b>医斯里</b> 基斯斯斯氏病炎
·斯KEIBBRIOWELCE (E.S. RushDiffberts lower at the beginning of the	e vear and higher at the and	
Estingled at 2 years on average for failures, and 3 years on average this is spiculated as incubator operating costs per job created or so	istained. Services for inclination claim	
real five, a significant service line has been created and staffing le	vels have increased aided by the ava	liability of LDFA funds

### usion and focus

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The Macomb-OU INC business incubator's vision is to be the regional hub for business incubation programs aimed at diversifying the economy of southeast Michigan. In order to achieve this vision, Macomb-OU INC must provide comprehensive support services to start-up and emerging technology-based businesses that will result in the commercialization of new technologies, attraction of investment and the creation of new jobs.

As such, the incubator has identified the following core values:

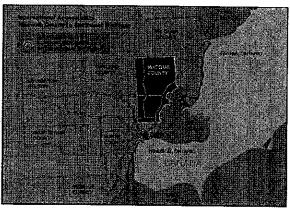
- A business incubator and the associated business accelerator programs exist to support and diversify the local economy by providing comprehensive business development and support services to entrepreneurs. As a result of the incubator's success, new jobs are created and businesses are retained and grown within the region.
- A successful business incubator is mission driven and is itself a dynamic model of an efficient business operation. The responsibility for managing and sustaining the program is shared by a team of professionals representing the private and public sectors with a commitment to the creation of economic development.

- Incubator leadership has a proven ability to facilitate the success of business and is held accountable for upholding the stated mission of the program. The incubator produces quantifiable outcomes for meeting the economic growth needs of the region to commercialize technology, attract investment and create jobs.
- There is a delineated starting point for each entrepreneur or business that expresses an interest in receiving assistance from the business incubator and accelerator program(s). Services and support are customized based upon the level to which there is a demonstrated capacity and ability to be involved in creating success.
- Prospective tenants are carefully screened to determine potential for success and those selected for participation are integrally involved in developing a clearly defined set of measurable benchmarks that lead to graduation from the program.
- Specific and measurable metrics are maintained for tenants and affiliate members of the program prior to, during and after participation in the business accelerator program(s).
- Management and leadership will regularly evaluate progress and make adjustments as a means
  of continually meeting the needs of the region and State to diversify the economic base.

Macomb-OU INC is a technology-based, mixed-use incubator differentiating itself from other incubators in the region through a focus on business entities with demonstrated competencies in Macomb County's targeted industries of **defense**, **homeland security**, **and advanced automotive and manufacturing**. The incubators strategic direction was designed to align with the economic development activities of both the SmartZone and the County as reported in the July 2006 Targeted Industries Report. Commissioned by the Macomb County Board of Commissioners and the Macomb County Planning and Economic Development (MCPED) department, the Targeted Industries Report was conducted for the purpose of identifying and focusing the efforts of a successful economic development program for Macomb County.

The report identified those industries or industry sectors to be considered "a target" for economic development. The results yielded significant workforce assets, industry strengths and opportunities within the county thus fueling the need for a SmartZone designation and in turn the business incubator.

As a mixed-use facility, Macomb—OU INC intends to work with a cross section of the business population. The incubator will not limit itself to one target demographic or audience with regard to business entities, entrepreneurs, or investors.



Macomb County is pleased to have had the opportunity to establish the county's first business incubator within the newly designated Macomb Technology Advancement SmartZone. Macomb-OU INC will be an integral component of the state-wide network of business accelerator programs and will compliment existing business accelerator programs in the region. The county is fortunate to draw upon the knowledge and expertise of 5 additional incubators<sup>4</sup> operating within the Southeast Michigan region; to include an operational partnership with the OU INCubator. As such, Macomb-OU INC will collaborate in statewide SmartZone initiatives to develop common strategic goals and communication/marketing brand identities. Macomb-OU INC also embraces the opportunity to reach beyond the region to collaborate with Battle Creek Aviation & e-Learning though their newly established pre-seed fund for defense and security focused companies.

Wayne State University Research and Technology Park's TechTown, Oakland University's OU INCubator, Automation Alley Technology Accelerator, Ann Arbor Spark Central and Spark East with Eastern Michigan University.

### Incorporation and Governance

The Macomb–OU INC business incubator is one of two SmartZone-affiliated incubators operated by Oakland University. Oakland University is a Michigan constitutional body corporate and a public university located in Rochester, Michigan. It is not a for-profit corporation. OU INC and Macomb-OU INC are individual divisions/units within Oakland University and report directly to the University's President Dr. Gary Russi. Macomb-OU INC is not a separate for-profit or not-for-profit corporation or organizational entity. As such, Macomb-OU INC, through its unit status within OU, is able to receive gifts, grants and charitable contributions in accordance with established state and federal laws, regulations and guidelines.

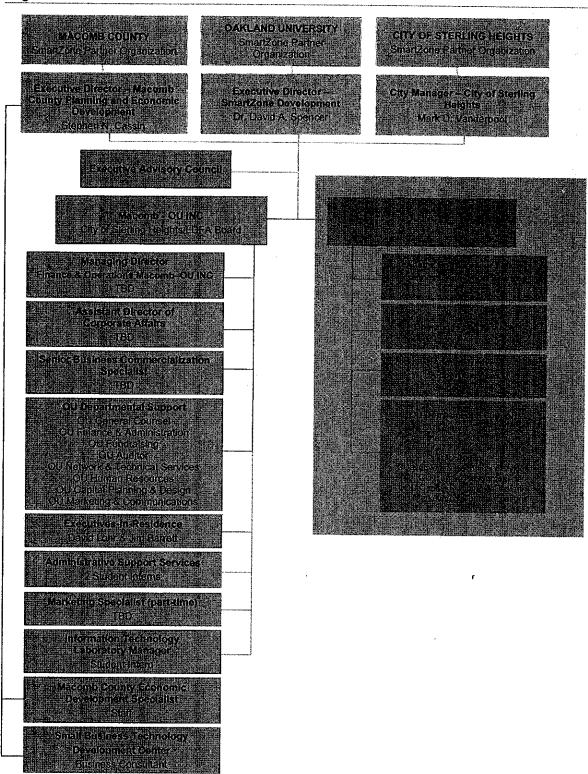
As a division/unit of Oakland University, OU INC has been engaged by Macomb County and the City of Sterling Heights to provide management and operational oversight responsibilities for the recently opened Macomb-OU INC business incubator. In support of this initiative, the City Council for the City of Sterling Heights ratified the MEDC SmartZone Agreement on 12/18/08. The City of Sterling Heights accepts responsibility to approve the Macomb-OU INC business incubator within the SmartZone district no later than June 1, 2009.

As part of the partnership with Oakland University, Macomb-OU INC has gained access to the managerial experience and expertise of the OU INCubator, a successful business incubator operating on campus as part of the Rochester Hills SmartZone. The management models and standard operating procedures already proven effective at OU INC are being replicated and integrated into the infrastructure of Macomb-OU INC and will lead to more rapid economic impact within the county.

Specifically, the incubator's formal business services agreement for use with both tenant and affiliate clients has been amended and approved for implementation at Macomb OU-INC. Any negotiable terms outlined in the basic business services agreement are discussed with the prospective client company until a mutually beneficial final document is created. The final terms of the service agreement are then compiled into a package which also includes the company's business plan and the due diligence analysis completed by the incubator. This package is then submitted the OU General Counsel for a comprehensive review and the subsequent construction of an official document outlining incubator service-level expectations and client payment terms and obligations (customary charges plus an agreed upon percentage of gross annual sales, interest in intellectual property and/or company equity paid or granted to the incubator).

The strength and diversity of the resource network supporting this program will enhance the effectiveness of the Macomb-OU INC, as well as the subsequent value it provides to clients. The unique organizational structure and management team are outlined in the following organizational structure.

### Organizational Structure



Each of the SmartZone partner organizations plays a vital role in the management of the incubator through a system of comprehensive checks and balances. The partners collaborate frequently on strategic direction, incubator goals and objectives, general management and level of incubator service delivery. This is accomplished through quarterly meetings which take place in the OU INC Collaboratory and incorporate the use of the high-level, anonymous decision support system. Presently, the Macomb-OU INC management team is developing a comprehensive strategic plan, corresponding business plan, conflict-of-interest policy, and advisory council by-laws consistent with the approved Macomb Technology Advancement SmartZone proposal. The vision, mission and core values of Macomb-OU INC will be guiding principles in the creation of these plans and documents.

Macomb-OU INC client performance will be tracked and measured through an incubator management software system. Metrics collected include number of jobs created, products commercialized, financing secured as well as the status on various established milestones. The system is utilized to compile semi-annual SmartZone reports which are then submitted to the MEDC for review. The incubator management team also meets annually with the local unit(s) of government to report on yearly budget status, level of activity, types of services provided, current client progress, and other noteworthy accomplishments. Furthermore, the Executive Director meets with the OU President to confirm and validate annual incubator performance objectives. Semi-annual meetings are then scheduled at which time the existing business plan and objectives are assessed and measured against original forecasts. Contingency plans will also be created to address any shortfalls in forecasted performance measurements.

### **Executive Advisory Council**

The primary role and purpose of the Executive Advisory Council is to guide the strategic direction, client business services program efforts and policy development for the Macomb-OU INC business incubator. Experience and industry best practices demonstrate the important role that an advisory committee can play in establishing the strategic direction for an incubator and, particularly, its course regarding future programs and client business services. It is important to distinguish that the Executive Advisory Council is strictly advisory in nature and not a Board of Directors with governance, management and/or fiscal authority. The actual daily management of the incubator will be the responsibility of the management team of Macomb-OU INC (subject to the oversight of the Oakland University President, the City of Sterling Heights and the LDFA Board). The Executive Advisory Council will assist in maintaining the entrepreneurial focus of the incubator.

### Executives-in-Residence

A critical component of the Macomb–OU INC management team will be the Executives-in-Residence. David Lohr and Jim Barrett, both uniquely qualified and experienced business and incubator leaders with national exposure, have agreed to provide direct assistance and counsel to the Macomb Technology Advancement SmartZone and Executive Advisory Council. The Executives-in-Residence will provide insight, coaching and mentoring that will be difficult to duplicate elsewhere.

### **Community Support**

The public and private sector will be presented with an array of opportunities through which they may pledge cash and/or in-kind support. These programs, as further described below, have been successfully launched at OU INC. The operational models will be shared with the Macomb-OU INC management team to allow for immediate implementation and roll-out.

### Corporate Partner Program

The Corporate Partners Program is a public-private sector business alliance between the incubator and experienced, pre-qualified business professionals. Top corporate, business and financial leaders provide entrepreneurs and up and coming incubator client companies with direct business development assistance on a pro-bono and reduced fee consulting services basis. Sponsors will include, but are not limited to expertise in venture capital firms; angel investment; general legal counsel; patent counsel;

accounting; audit and tax; marketing and advertising; business consulting; banking and financial services; insurance; HR and payroll services; and other specialties.

The overarching concept is to create a win-win for sponsors and incubator clients. Sponsors gain valuable access to growing clients while early stage client companies get high quality professional services at affordable fees given their limited initial capitalization positions. Sponsors agree to provide an annual amount of limited probono professional services and a cash sponsorship commitment (see

inset), capped at a dollar value commensurate with the contribution level selected. In addition to other benefits, the participating firms have preferred access to tenants and affiliate member clients of the incubator.

Kitchen Cabinet Advisory Boards

Kitchen Cabinet Advisory Boards are designed to assist incubator client companies with strategic and other business development issues. Generally, the boards are comprised of 8-12 local business and industry executives or subject matter experts who volunteer their time to assist an incubator company's management team to identify and address the strategic issues facing their business. Kitchen Cabinet Advisory Board members commit to meet with the client company management team for quarterly meetings (at a minimum) over a period of approximately 24-36 months.

Business Mentoring and Coaching Services

Corporations and business executives with an acute interest in entrepreneurial initiatives will have the opportunity to provide specialized mentoring and coaching services to incubator clients. This one-on-one approach is particularly helpful for those incubator clients requiring a unique subject matter expertise.

Discounted Business Services Program

The Discounted Business Services Program provides the private sector with another opportunity to support the incubator client community. Those companies who may not qualify to participate in the Corporate Partners Program but are still interested in the entrepreneurial endeavors of the incubator may register as an Incubator Business Service Provider. After payment of a nominal registration fee, Incubator Service Providers will be listed in incuTrack – the incubator database and client management software system. The database will be accessible to incubator clients searching for secondary business services ranging from office supply delivery to event planning. Companies registered as an Incubator Business Service Provider agree to provide services to the client community at a discounted rate.



36960 Metro Court Sterling Heights, Mich. 48312 www.rave.com

Jan 8, 2009

Michigan Economic Development Corporation Contracts and Grants 300 North Washington Square, 2<sup>nd</sup> Floor Lansing, MI 48913

To Whom It May Concern:

Rave Computers, Inc., recognizes the need for a proactive economic development strategy in the face of the profound economic crisis affecting Southeast Michigan. Further, we recognize that a strong partnership between local governments, the business community and citizens of the county is critical to ensure our collective success. We believe the creation of a business incubator within our county will provide the impetus for increased innovation as well as public-private sector collaborations ultimately leading to job creation.

We are committed to support Macomb County in its effort to ensure the business community has the necessary resources to increase economic prosperity through diversification. As such, we strongly support the unique opportunity to move Macomb County forward through the launch of a new Business Accelerator and Incubator facility. The opportunity to partner with Oakland University and the OU INCubator in this important effort makes it particularly attractive and timely.

As a testament of our support for this initiative, Rave has pledged our financial support to the Macomb – OU INCubator through participation in Corporate Partner Program as a Platinum Sponsor contributing \$10,000 to the initiative.

We are pleased to endorse this effort and look forward to playing a significant role in making Macomb County a destination for new business development.

Sincerely,

Rick Darter President/CEO

Rave Computer Association Inc.



### PLANNING & ECONOMIC DEVELOPMENT

1 S. Main St., 7th Floor Mount Clemens, Michigan 48043 586-469-5285 Fax 586-469-6787 www.mscombcountymi.gov/plenning

June 15, 2008

Donald Morandini Deputy Director

PLANNING COMMISSION

Ann E. Klein Chairman

Dan G. Dirks Vice-Chairman Bernard B. Calka Secretary

Louis J. Burdi Elmer J. Kuss Dominio LaRosa Deborah S. Obrechi Deboran a.... Bill Peterson Beny M. Slinde

Michigan Economic Development Corporation Contracts and Grants
300 North Washington Square, 2nd Floor Lansing MI 48913

To Whom It May Concern:

The individuals, businesses and associations listed below recognize the need for a propertise economic development strategy in the face of the profound economic crisis affecting Southeast Michigan. Further, we recognize that a strong partnership between local governments, the business community and citizens of Marcomb County is critical to ensure our collective success. We believe the designation of a SmartZone within the county will provide the impetus for increased innovation as well as public-private sector collaborations ultimately leading to job creation-

We are committed to support Macomb County in its effort to ensure the business community has the necessary resources to increase economic prosperity through diversification. As such, we strongly support the unique opportunity to more Macomb County forward through the faurich of a new Business Accelerator and incubator facility. The opportunity to parmer with Oakland University and the OU INCubator in this important effort makes it particularly attractive and timely.

As a testament of our support for this initiative, we pledge our ongoing contribution to the Macomb County SmartZone project via participation in one or more of the proposed incubator programs. Those programs which are further outlined in the SmartZone application include:

Corporate Partner Program Sponsorship Kitchen Cabinet Advisory Board Participation a 13 **Business Mentoring and Coaching Services** Discounted Corporate Services

We are pleased to enderse this affort and look forward to playing a significant role in making Macomb County a destination for new business development.

Brandon Pedald C.ID Vice President

Michael R. De Vaul

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An U.E.C.N.A.C.B.upbacks the initiation of collaborative efforts that enhance proactive economic development is effective and the recept the content and profound economic chairs affecting SE Michigan. PARDEG./VAC seconomic chairs affecting SE Michigan. PARDEG./VAC seconomic environment within the business community that profound the provide a viable economic environment within the business community that profound the area of homeland security and detense. TARDEC/NAC supports the seconomic distribution of the Macomic development and incovation for the cleation of the Macomic Technology.

Against Supports the Macomic OU INC business incubator.

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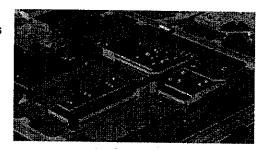
### Facility Ownership

The Macomb–OU INC business incubator facility is owned by Frankel and Associates, 2301 West Big Beaver Rd., Suite 900, Troy, MI 48084. As referenced in the Financial Plan section, Frankel and Associates and Oakland University have a signed occupancy agreement specifying the terms of business ownership and leasing responsibilities moving forward.

### Facility Description

The Macomb–OU INC business incubator is located at 6555 15 Mile Road, Sterling Heights, Michigan 48312. It is one half mile between Mound and Van Dyke on the north side of 15 Mile Road at Bart Industrial Park. It is bordered by Stanley Drive to the west and Beattie Drive to the East.

The property was developed as a 68,871 square foot mixed industrial office campus and is situated on 5.84 acres. The campus is divided into 3 contiguous building sections; building A (19,229), B (17,844), and C (31,798).



The composite breakdown of space is 18,187 square feet of factory/shop space and 50,684 square feet of office space. All three sections are connected by an impressive glass atrium and walkway. Building A is comprised of office, conference room, and industrial prototype space. A cafeteria, kitchen, cubicle space, and corporate board room round out the facility. Building B is purely office space with 65 individual offices and an open area and conference room. Building C is two stories with office space on the first and second level. Manufacturing space is located at the rear of this building.

Laboratory, Light Manufacturing and High-Bay Facilities
The proposed Macomb-OU INC business incubator facility will provide potential clients with access to the approximately 61,621 square feet of rentable square footage including physical amenities seen at right.

٠	
	PHYSICAL AMENITIES
	Laboratory Space 6575 60 ft
	Light Manufacturing 18 276 sq ft
	High Bay Facilities 1 18 187 sq ft

Although, Macomb-OU INC has not yet rented space to incubator tenants, the overall flexibility of the site will afford the incubator with the ability to attract tenants from a wide variety of technology-based industries.

### Macomb Technology Advancement SmartZone Site Zoning

6555 15 Mile Road is located in the main industrial corridor of the City of Sterling Heights. The primary zoning for this corridor is M-2. The M-2 Heavy Industrial District is intended to provide land for the more large-scale and intense manufacturing, fabricating and assembling uses. While such uses may occasionally produce external physical effects noticeable to a limited degree beyond the boundaries of the site, every possible effort shall be made to minimize such effects. All uses located within this district shall be so designed and operated as to observe the performance standards and regulations of use contained herein. Any one or more permitted uses allowed in the M-1 Light Industrial District are permissible in an M-2 district. The proposed use of a business incubator falls within this zoning category therefore no re-zoning of the property or special land use approvals are necessary.

### STARFING AND SERVICES IN THE PARTY OF THE PROPERTY OF THE PARTY OF THE

While the preliminary long-term staffing structure for Macomb-OU INC has been developed as part of the strategic plan, the business incubator is presently operating with limited staff support as additional funding

sources are secured. In this interim phase, the Macomb-OU INC management team is comprised of individuals from the SmartZone Partner organizations. A brief description of the current incubator staffing positions as well as the long-term staffing structure is outlined below.

### Short-Term Staffing Structure

### Executive Director

Dr. David A. Spencer, Executive Director, OU INC, provides general oversight and leadership for Macomb-OU INC. Dr. Spencer has been the Executive Director – SmartZone Development at Oakland University since its inception in 2005. He led the facility design and development effort for the OU INCubator to include spearheading the commercialization, capital investment and service programs. He also gained his certification as an incubator manager through the National Business Incubation Association. His related activities include serving on the Executive Advisory Board of the Plymouth Venture Partners II @ OU INC, the Board of Directors of the Great Lakes Angels, and the Board of Governors for the Michigan SmartZone Pre-Seed Capital Fund.

### Assistant Director of Corporate Affairs (ADCA)

This Assistant Director primarily manages the Corporate Partners Program (CPP) which includes soliciting contributions to the incubator, reporting progress, conducting stewardship, hosting the annual CPP meeting. The ADCA also assists the Executive Director/Director of Finance and Operations with the implementation of new business development services programs, executive advisory committees, project management, incubator milestones, and communications with members. Furthermore, the ADCA actively develops and engages the Kitchen Cabinet Advisory Boards (KCAB) for the Macomb-OU INCubator and its client companies. In this capacity, the ADCA assists with the recruitment of KCAB members by tracking prospects and inquiries for the potential board community. The ADCA develops advisory board processes for scheduling KCAB board meetings for the clients, communicates with the client companies and advisory board members, creates meeting agendas, conducts meetings, and orchestrates any required follow—up to the KCAB meetings.

### Senior Business Commercialization Specialist

The Senior Business Commercialization Specialist assists the Macomb - OU INCubator with new company inquiry assessments, reviews new applicant business plans, manages the due diligence investigations, constructs due diligence reports, and provides recommendations and direction regarding new company admittance. The Commercialization Specialist also works to identify new company financial investment assistance, such as public grant or loan sourcing, private angel and/or venture capital investment. The Specialist also specifically assists incubator client companies in applying to the Michigan Pre-Seed Fund or other state sponsored programs, and assists in the creation of other feebased new company commercialization readiness assessments.

### Senior Level Economic Development Specialist

The MCPED has also committed to providing a full-time, senior-level economic development specialist to be in-house to assist tenants and affiliate members to 1) meet appropriate potential partners throughout the region, 2) connect with research institutions and universities, 3) connect with a variety of funding sources including traditional lending institutions, angel networks and alternative funding options such as pre-seed funding programs and 4) provide opportunities for networking with providers direct and in-direct services.

### Executives-in-Residence

Mr. Jim Barrett will serve as an Executive-in-Residence consultant providing advice and counsel on developing strategies to engage corporate partners and capital investment support for the incubator and its client company community.

Mr. David R. Lohr will serve as an Executive-in-Residence consultant to the Macomb - OU INC business incubator providing advice and counsel on incubator best practices, sustainability, economic impact and commercialization services program development.

Small Business and Technology Development Center (SBTDC)

The Macomb County Planning and Economic Development (MCPED) department is the only governmental agency within the State of Michigan to host a SBTDC office. As one of 12 regional locations throughout the state, the SBTDC provides counseling, training, research and advocacy for small businesses throughout Macomb County and is one of the most celebrated in the state. A full-time, SBTDC Certified Business Consultant will be in-house at Macomb - OU INC to offer assistance with the 1) development of business plans that meet or exceed the standards of leading lending institutions and angel investors, 2) identification of target markets and creation of marketing plans, and 3) access to traditional lending institutions. Further, the SBTDC will provide access to statewide experts that specialize in providing assistance related to 1) accessing the resources available through university and research institutions, 2) commercialization of new technologies and, 3) researching appropriate federal funding opportunities and preparing competitive proposals.

### Student Interns

The Student Interns conduct incubator research, assist with compiling client company due diligence, perform statistical and financial analysis, construct briefing papers and written reports related to business modeling and cost benefit analysis reviews for the incubator, client companies and angel investment partners. They also attend meetings with prospective client companies, university faculty, corporate partners, client company advisory board mentor executives, and incubator staff.

### Long-Term Staffing Structure

The long-term incubator management team will be fully implemented by YR 4 (2012/2013) of incubator operations as specified in the financial plan and business model. As part of this staffing structure, the following positions will be added to the incubator organizational chart:

Managing Director, Finance and Operations

The Macomb Technology Advancement SmartZone and the Macomb-OU INC team will be lead by a highly qualified Managing Director with prior experience in the operational management of a successful business incubator. The Managing Director will report directly to Dr. Spencer and have primary oversight of all financial plans, policies, procedures, programs and customer/client company services at Macomb - OU INC.

Marketing Specialist

As part of the Macomb-OUINC, the part-time Marketing Specialist will hold responsibility for developing a marketing plan and supporting materials that communicate a clear and focused incubator brand identity, explain incubator client services and benefits, delineate and promote the incubator's sector uniqueness, express collaboration amongst partner organizations, and broadcast client company's accomplishments, growth and successes.

Information Technology Laboratory Manager

Student intern position responsibilities will include, but are not be limited to, developing and executing business process designs for collaboratory sessions related to new client commercialization readiness assessment, new client business plan development, grant writing and development, competitor and industry market research, statistical and financial analysis, and entrepreneurship innovation/creativity.

Administrative Assistants (2 part-time)

The Administrative Assistants will conduct incubator research, assist with compiling client company due diligence, perform statistical and financial analysis, construct briefing papers and written reports related to business modeling and cost benefit analysis reviews for the incubator, client companies and angel investment partners. Administrative Assistants will also attend meetings with prospective client companies, university faculty, corporate partners, client company advisory board mentor executives, and incubator staff.

### Kitchen Cabinet Advisory Boards

Macomb—OU INC will also utilize the professional expertise of volunteer business executives through the participation in client-based, customized Kitchen Cabinet Advisory Boards. These boards are designed to assist incubator client companies with strategic and other business development issues. Generally, the boards are comprised of 8-12 local business and industry executives or subject matter experts who volunteer their time to assist an incubator company's management team to identify and address the strategic issues facing their business. A "kitchen cabinet" is typically comprised of two groups of members. The first group contains professionals with expertise in areas all companies would require, such as a legal lawyer and/or patent counsel, a financial executive or accountant, a CEO or general manager and a marketing or PR professional. The second group contains individuals with expertise in areas tailored to the specific needs of the business enterprise. Kitchen Cabinet Advisory Board members commit to meet with the client company management team for quarterly meetings (at a minimum) over a period of approximately 24-36 months. It is estimated that approximately 1000 volunteer hours will be dedicated through participation in KCA Boards in YR 1 and an additional 2000 hours in each subsequent year.

### Entrepreneurial Support Services

A successful business incubator begins with the ability to secure a suitable building and equip it with adequate facilities. True success, however, is dependant on far more than simply making real estate available at an affordable rate to entrepreneurs. The ability to create a cluster of high-technology developments, support the creation of new companies and jobs, attract investment and build partnerships with area university and research institutions while fostering public/private collaboration is a much more significant indicator of a successful business incubator. Achieving these goals is dependent upon the level of relevant services that are readily accessible to tenants and affiliate members.

The Macomb-OU INC business incubator will provide clients with a number of technology-based, value-added commercialization and business acceleration services to include, but not limited to the following:

### Business Process Design

- Business Plans
- Proforma & Financial Forecasts
- Project Management, Evaluation and Reporting
- · Licensing, IP and Copyright
- Marketing Plans

### Financial Acquisition and Capital Development

- Venture Capital
- Angel Capital
- Grant writing and development
- · Loan application development

### PA Business and Market Research

- Primary Market Research
- Secondary Market Research
- Tenant and Affiliate Member In-Take Assessment
- Industry & Competitive Analysis
- Licensing, Intellectual Property, Trademark and Copyright
- Due Diligence
- · Competitor Research

### General Business Research and Development

- Business Planning Services, including:
  - -Strategic Planning & Visioning
  - -Needs Assessment
  - -Business Process Improvement
  - -Solution/Decision Analysis
  - -Marketing & Business Plans
- · Financial Management
- Compensation Incentives & Benefit Analysis
- Cost/Benefit Analysis
- Best Practices
- · Business Training

### Leadership and Group Work Team Development

- Behavioral and communication style assessments
- Employee/Client Surveys
- Focus Group Support
- Executive & Team Coaching
- Process Consulting Services
- Collaborative Environment Consulting Services
- Mentoring
- Networking

In order to efficiently provide these services to the prospective client base, the Macomb-OU INC business incubator must create an atmosphere that will nurture and support the sharing of information between the university, the incubator, client companies, the investment community, corporations, government sponsors and global information sources. Recognizing the need for a broad array of business expertise not easily found under the umbrella of a single organization, the business incubator will work to provide these services in cooperation with various project partners.

In conjunction with OU INC, the business incubator will also have the ability to seamlessly "link" stakeholders with those resources necessary to deliver a supportive business development environment — a component critical to the success of any business incubator. With the assistance of OU INC, the Macomb Technology Advancement SmartZone will become only the second business incubator to distinguish itself through the creation of a "collaboratory", a unique decision support system embedded within a group work team environment.

While the concept of a collaboratory is not new, applying the concept to incubator commercialization and technology transfer is long overdue. The effectiveness of the business incubation and commercialization services to be provided at Macomb-OU INC will be greatly enhanced with this innovative and leading edge approach. The Collaboratory's laptop system will allow for easy portability thus enabling the hosting and supporting of both on-site and off-site business development sessions. An example of a typical collaboratory environment is shown at right.



The virtual collaboration environment will enable Macomb-OU INC staff to support commercialization and business development services including but not limited to:

- Commercialization Readiness Assessment
- Strategic Planning
- Primary and Secondary Market Research
- Business Plan Development

- Angel and Venture Capital Financing
- Intellectual Property (IP) Asset Management
- Grant Writing and Development
- Due Diligence

State-Wide Technology Service Providers

In addition to the commercialization and incubation support programs and services to be provided by Oakland University, state-wide technology services providers will be actively engaged by the management team of Macomb-OU INC. The supplemental technology service providers will align "best of class" resources for client companies and early stage entrepreneurs. Those technology service providers include:

- Ann Arbor Spark
- Automation Alley.
- Beaumont Commercialization Center
- Great Lakes Angels
- Merit Networks

- BBC
- DREP
- MichBIOSBTDC
- TACOM
- MEDC
- Michigan Procurement TAC
- Next Energy
- Plymouth Management Company

Oakland University has also formed strategic alliance relationships with both Plymouth Management Company (PMC) and the Great Lakes Angels (GLA). PMC, GLA and the university will collectively provide access to capital investment opportunities for primarily early-stage and growth stage companies located within Macomb - OU INC. This public-private sector business sponsorship program presents the opportunity for top corporate, business, and financial leaders to provide entrepreneurs with direct business development assistance while also gaining access to the investor network.

### Incubator Client Selection Process

Macomb-OU INC will reflect and mirror the client selection process already established and proven effective at OU INC for cultivating and supporting tenant and affiliate client relationships and the due diligence process. The selection process includes the completion of a formal on-line application which gathers all information necessary to determine where the prospective client stands in the business development life cycle, industry focus, and the type of assistance being sought. Entrepreneurs are also expected to submit a business plan for further review by an established review panel responsible for determining an appropriate plan of action. If the company is deemed viable for incubator services, a comprehensive due diligence process begins which includes a business plan review, comprehensive financial analysis, and discussion of terms for affiliate membership or on-site tenancy. Those companies who are not deemed suitable for incubation are referred to other business start-up support service providers.

### Strategies for Generating and Attracting Tenants

Macomb-OU INC works closely with the MCPED and the SmartZone Partner organizations to actively market, recruit, and engage interested and eligible technology-based companies. Direct referral of candidate companies will also be generated as a result of relationships with: Oakland University, the City of Sterling Heights, Plymouth Management Company, the Great Lakes Angels, local trade organizations, regional chambers of commerce, and affiliated corporate partners.

In addition, the MCPED is responsible for promoting Macomb County to prospective business investment clients. Their extensive business assistance resources have been greatly enhanced through regional partnerships such as the Detroit Regional Economic Partnership (DREP) and statewide initiatives through the Michigan Economic Development Corporation. The following is a listing of incentives available regionally for business retention, expansion or attraction and a general description of each.

### Tal (Aliatements

Communities in Macomb County have the ability to provide a 50% tax abatement for up to 12 years on real and personal property for manufacturing firms that are either expanding or locating. In 2007, MCPED worked with over 25 companies on these issues.

### Small Business Administration Logn Programs 🖔

The US Small Business Administration offers two primary types of loan programs: a Fixed Asset Financing Program referred to as the "504" Program and loans for working capital known as the Loan Guarantee Program. Last year the MCPED office assisted 32 companies obtain SBA financing exceeding \$6,564,000.

### Steama Building Inventory in Line

Macomb County maintains several site and building inventories that can be accessed to identify potential properties while maintaining a high level of confidentiality.

### Economic Development Comoration #常事

The Macomb County Economic Development Corporation (EDC) can provide fixed asset financing for manufacturing firms at between 60-80% of prime. Projects should be over \$1,000,000 to be cost effective but cannot exceed \$10,000,000.

### Brownfield Redevelopment Authority

The Brownfield Redevelopment Authority works with local firms interested in redeveloping potentially contaminated sites. Tax advantages and reimbursement of clean-up costs are offered based on the proposed projects.

### Michigan Economic Development Corporation

Macomb County works closely with the team from the MEDC and calls on companies jointly to insure maximum benefits to a firm.

### · Win

### Government Contracting 4.5 Page 12 Page 12 Page 12

Macomb Community College hosts a Michigan Procurement Technical Assistance Center (PTAC) office that works with firms interested in developing state and federal contracts. It is one of the most effective ways for Macomb County firms looking to diversify their customer base into the government realm to ensure success.

### Costonized Training Cost Cost Account to the

MCPED representatives meet regularly with the Workforce Development Institute at Macomb Community College. Many firms recognize the need to continually invest in the upgrade of employee skill sets in order to maintain a competitive edge.

### Export Assistance

Macomb County works directly with both the International Business Services Center of Automation Alley and the U.S. Export Assistance Center of the U.S. Department of Commerce. Representatives have accompanied several Macomb County firms on successful trade missions organized by Automation Alley to China, Eastern Europe and India.

### **Affiliated Support Services**

Macomb Small Business & Technology Development Center (SBTDC)
The SBTDC provides free, confidential counseling to individuals or firms interested in starting or expanding a business. Primary focus is placed upon the development of business plans, marketing plans and financing proposals. The SBTDC supported 559 firms last year alone.

More specifically, in 2008, Macomb's SBTDC was honored with "Best Small Business Consultant of the Year," "Best Intake Coordinator of the Year" and "Special Recognition for a Volunteer." Adept at providing excellent services, the Macomb SBTDC is proud to list significant accomplishments for 2007:

- Answered 5,764 inquiries
- Serviced 1.631 clients
- Assisted 559 new or expanding businesses
- Helped to create or retain 2,391 jobs
- Sponsored 81 seminars with a total of 1,072 attendees
- Assisted companies secure 58 loans totaling \$49,666,540
- Assisted companies make \$20,045,800 in new investments.

Prospective incubator clients who do establish a formal business services agreement with Macomb-OU INC will be referred, when appropriate, to the SBTDC for additional assistance.

### Sources of Client Financing

The Macomb-OU Incubator does not currently have financial resources dedicated to its clients. It does offer, as a client service, however, assistance in developing financing proposals for the following sources with which the incubator has established relationships:

- Great Lakes Angels: The Great Lakes Angels is an angel investor network that is housed at OU INC, and will, in most likelihood, also have a presence at Macomb-OU INC. This investor group typically invests \$50,000 to \$250,000 in early stage companies. Jason Schmidt, who will work at least part time at Macomb-OU INC, is a manager for the Great Lakes Angels.
- Michigan Pre-Seed Capital Fund: Managers at Macomb-OU INC have a relationship with the Michigan Pre-Seed Capital Fund, and have submitted four applications to the fund. Macomb-OU INC offers assistance with proposals submitted to this organization as a client service. The Michigan Pre-Seed Capital Fund finances early and growth stage companies with up to \$250,000 in matching funds.

 Plymouth Venture Partners (PVP): Managers at Macomb-OU INC have a relationship with Plymouth Venture Partners, a venture capital fund located in Ann Arbor, Michigan. For later stage incubator companies, PVP is a potential source for venture capital investment.

Most importantly, Macomb-OU INC is working with a successful Macomb County entrepreneur and philanthropist to develop a \$1.5 million fund for incubator clients. The local entrepreneur is seriously considering the formation of this fund with four or five professional and personal contacts. This fund would be dedicated to financing Macomb-OU INC clients.

### Client Evaluation and Graduation

Upon engagement of clients, Macomb-OU INC will track client company growth, jobs added, and jobs retained for reporting to state and local units of government as well as community and corporate partners. Each incubator client company will be expected to develop a set of minimum "Key Performance Indicators" for review by a customized Kitchen Cabinet Advisory Board on not less than a quarterly basis. The incubator management team will also monitor client company inquiries, applications and the performance investment capital, commercialization coaching and Kitchen Cabinet Advisory Board program support results.

Incubator clients will be deemed ready for graduation when the Macomb-OU INC management team determines the company has met two or more of the following conditions:

- Business has successfully completed 2-5 years in business incubator
- Space requirements of the tenant client exceed incubator capacity
  - Company is in need of additional space and the incubator is unable to provide the necessary surge space to meet the growth demands
  - Company occupies 15% or more of the total incubator rentable space
- Client lacks the need for use of shared services and/or management assistance
  - Company has a CEO, COO, and CFO or a consultant performing the particular function
  - Company has its own capital equipment and business resources
- Client is able to afford commercial building rates
  - Company has raised enough capital to fund operations outside the incubator for at least one year
  - Company has achieved financial break-even point
  - Company has earned revenues in excess of expenses for 12 consecutive months
- Client has achieved the predetermined financial position and/or exit strategy
  - Company sales and profitability are sufficient for client success outside of the incubator for a minimum of 12 consecutive months to sustain ongoing operations and continued growth
  - Company has acquired sufficient financial and/or earned revenues for a minimum of 12 consecutive months to sustain ongoing operations and continued growth
  - Company IP spin-out realizes appropriate licensing and royalty revenue milestones
  - Company is acquired or makes public offering

A tenant client that achieves and/or exceeds graduation criteria prior to the end of a lease and/or business services agreement ending date, may be allowed to terminate said incubator client status without penalty at the sole discretion of the incubator's management.

# RECYCLABLE PAPER

RESOLUTION NO.	FULL BOARD MEETING DATE: AGENDA ITEM:
	MACOMB COUNTY, MICHIGAN
RESOLUTION TO:	Receive and File the Report on Transportation Activities
INTRODUCED BY:	Commissioners James Carabelli and Edward Bruley, Co-Chairs
DESCRIPTION:	
COMMITTEE/ME	ETING DATE 2-4-09



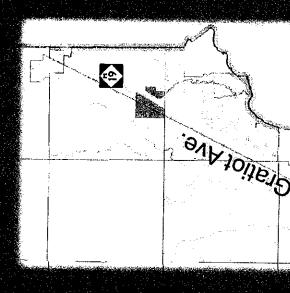




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### Brinckerhoff Michigan

### GRATIOT AVENUE ACCESS **MANAGEMENT STUDY**



The resulting Plan will serve as a guide and vision for improved access. Each community will adopt the plan as part of its Master Plan and zoning

ordinance amendments as part of this project to

provide the basis for implementation.

PROJECT OVERVIEW いいた。ちょれる PED 2-4-09

### The study will:

Inventory existing access conditions

Fransportation (MDOT) have teamed with Macomb

prepare an Access Management Plan for the M-3/M-19—Gratiot Avenue corridor (see map to

County and the nine corridor communities to

The Southeast Michigan Council of Governments

(SEMCOG) and the Michigan Department of

- Create consistent standards and procedures along the corridor
- Analyze traffic conditions at select intersections
- Recommend removal, consolidation, &/or geometric improvements to access points
- Provide a unified plan with custom local regulations to implement access

# management techniques

PROJECT PROCESS AND INFORMATION

# Public Input and Awareness

- Project Steering Committee including local, will meet regularly throughout the process county, SEMCOG & state representatives
- Local Public Workshops will be held for public education & input
- Project brochure will help summarize the
- Website will provide project information, and will be updated at key project milestones

### **Project Timeline**

promote the Plan

owners will be conducted where needed to

Personal on-site meetings with property

- 1. Fall 2008 inventory existing conditions
  - 2. Winter 2009 Public Workshops

acomb County, Michigan

Sponsoring Agencies:

SEINCOG... Equipping local

- Spring/Summer Review meetings with communities
- 4. Project completion in Fall 2009

### Existing Conditions Review & Data Collection



\$0-800; BUIM



Spring 2009 ិ ((())វ (១(())(())វុទ Plan & Customization o Local Adoption Ordinances Processes Refinement of ey Public

# IMPLEMENTATION

# How are Concepts and Standards Applied?

- ✓ Through the Access Management Plan. This policy document contains specific access recommendations / improvement concepts and is adopted by each community
  - Through an Access Management Ordinance. Local regulations, tailored to each community along the corridor, will be adopted with specific guidelines for design, implementation and future review of access locations
- Through Coordination. Maintain ongoing communication through continued steering committee meetings with the corridor communities
  - Through Reconstruction. Design for future road reconstruction projects will use this Plan as a guide

# When Are Concepts and Standards Applied?

- With New Development. Site design can be regulated by standards in ordinance and plan.
- At Times of Redevelopment/Re-use. Use these opportunities to close, consolidate, redesign
- Incremental Implementation Over Time. Improved access and roadway improvements
- are made over time, as opportunities arise

  During Road Reconstruction Projects. Access redesign and improvements are coordinated will larger road projects.

# WANT MORE INFORMATION?

Contact: Jennifer Evans
Southeast Michigan Council of Governments
(313) 324-3306 or evans@semcog.org

# e Improves Safety

OVERALL BENEFITS OF ACCESS MANAGEMENT

Fewer & better spaced access points mean drivers

Maintains Capacity & Traffic Flow

don't have to slow down as often for turning

vehicles

Increases road capacity without costly road

**Promotes Business Vitality** 

widening

- 68% of MI crashes on roads without access limitations were related to access
- Studies show that roads with 20 access points per mile have 40% more crashes than similar roads with only 10 access points per mile
  - Results in higher visibility

# **Enhances Corridor Aesthetics**

 Fewer driveways provide area for improved landscaping, signage & pedestrian refuge islands

Better traffic flow acts as a catalyst for growth
 Less congestion makes it easier & more pleasant

for customers to visit a business

# SITE-SPECIFIC ACCESS MANAGEMENT TECHNIQUES

Intersection, Crosswalk & Signal Design

✓ Use advanced pedestrian signals

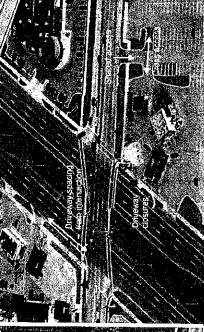
### Access Placement

- Require space between driveways & road intersections
- Ensure new driveways are offset from driveways across the street
- ✓ Consolidate closely spaced drives

### **Access Design**

- Promote shared/cross-access between parking
- Restrict turning movements (e.g. right-in/right-out only, etc.)
- Require proper driveway radius & ample throat depth

# Design intersections with 'bump-outs' & pedestrian refuge islands Include pavement markings & texture Roadway Design Improve intersection design Provide proper median crossovers Encourage shared cross-access to signalized drives or cross streets Include service/frontage roads & rear access roads/alleys



Then the 10

Gratiot Avenue Access Management Study Schedule

		dan
1	Process Preparation	1
	Web Site, Public Involvement Plan	
	(OPTION) Current Site Plans, etc. Reviews	
	Notices of Intent to Proceed	
2	Project Kick-Off	
1 Jnt SC		
	Assemble Existing Data (ZO, MP)	
	Base Map Data	
3	Existing Conditions	
	Consultant Field Review	
	Existing Conditions Report/Maps	
2 Ind SC		
	Corridor Traffic Analysis	
4	Conceptual AM Pians	
	Develop Conceptual AM Recommendations	
2 Ind SC	Presentation of Concepts, Broch Draft to SC	<b>\</b>
2 PW	Public Workshops #1: Concept AMPs	<b>C</b>
2 Off Tr	_	)
4 Days	(OPTION) On-Site Review Meetings	
4 Prsnt	(OPTION) Special Presentations	
	Refine Conceptual AM Plans, Draft Text	
5	Refined AM Plans	
2 Ind SC		<
2 PW		<b>~</b>
2 Ind SC	_	)<
	Refine AM Plans	
1 Jnt Sc	Final Draft AM Plans to SC	VI Deliv
	AM Plans Adoption Process	
9	Local Ordinance	
	Prepare Reviews of Local Ords	
	Prepare Model Ordinance Formats, Revisions	
	(OPTION) Custom-Tailor Model to Communities	>
9 Lcl M	Local Community Meetings (1/each)	
9 Lci M	(OPTION) Second Local Meetings (1/each)	> > >
6 Lci M	(OPTION) Additional Local Meetings (3/segmt)	
	Communication	
Web	Web Site Maintenance Undate after each Mtg	

Sub Task

Steering Committee/Local Meetings

**Public Workshop** 

**Adoption Process** 

DED 2-4-09 2-4-09

# RECYCLABLE PAPER

RESOLUTION NO.	FULL BOARD MEETING DATE: AGENDA ITEM:
	MACOMB COUNTY, MICHIGAN
RESOLUTION TO:	Receive and File the Report on Community Planning and Assistance
INTRODUCED BY:	Commissioners James Carabelli and Edward Bruley, Co-Chairs
DESCRIPTION:	

COMMITTEE/MEETING DATE

PED 2-4-09

11.

### **Mount Clemens Arts Incubator**

- □ Clients City of Mount Clemens Downtown Development Authority and Anton Art Center
- □ **Description of Project** Develop an arts incubator within the City of Mount Clemens
- □ Description of Client -
  - O The City of Mount Clemens Downtown Development Authority was established in 1983 with its sole purpose to encourage redevelopment of Downtown Mount Clemens. The Goals and objectives of the DDA as stated are, "to halt property value deterioration and increase property tax valuation where possible in the business district and to eliminate the causes of that deterioration and to promote economic growth". It is the belief of the DDA that by keeping the economy and vitality of the downtown healthy we also improve property values throughout the entire City of Mount Clemens as well as enhancing the quality of life. The DDA receives funds from the Tax Increment finance Authority that was established within the District, has full time staff that run the day-to-day operations of the entity, and a core group of business and community leaders that sit on the Board of Directors.
  - O The Anton Art Center is committed to the advancement of the arts through quality exhibitions, advocacy and educational programs for Macomb County and its environs. Since its inception in 1969, The Art Center has been housed in the historic Carnegie Library Building in downtown Mount Clemens. The Center is a strong advocate for artists. Artist opportunities include monthly exhibitions ranging from juried statewide competitions to invitational and student shows. The Center also presents two annual events, which generate income for artists: The Stars & Stripes Festival and the Christmas Market. The Gift Shop offers Michigan artist's further opportunities to generate income throughout the year.
- Description of the Project In conjunction with the Mount Clemens Downtown Development Authority and the Anton Art Center, develop a feasibility analysis and sustainability plan for an arts and culture incubator for the City of Mount Clemens. Currently within the community there is a considerable amount of support and interest, from both public and private stakeholders, in establishing community studio space for artists. The project should incorporate some of the following objectives:
  - o **Incubator Case Studies** Provide and overview of best practices/existing arts and culture cooperatives/incubators throughout the region, state, and nation, highlighting facilities, size, start up costs/operating expenses/market conditions needed to support, funding sources, artists/community services, and measures of success/impact.
  - Incubator Feasibility and Sustainability Plan Organizational structure, business and marketing objectives, market potential, overall feasibility analysis for the community and surrounding areas to support this endeavor, artists attraction and retention strategies, revenue generators, and sustainability objectives.

- Connectivity Plan Provide an analysis of how best the community can integrate the potential arts incubator with the DDA and greater community. Highlight opportunities for businesses, social events, partnerships, and overall experience.
- Site Selection Work alongside the DDA and Art Center to explore current site options within the community, and other site opportunities
  - 215 North Avenue

### Warren Pedestrian Link

- □ Clients City of Warren and City of Warren Downtown Development Authority
- □ **Description of Project** Develop a plan that will create a pedestrian link between Warren City Hall to the City of Warren Community Center and Park
- □ Description of Client -
  - O The City of Warren is located in the southwestern corner of Macomb County and reported a population of 134,427 in 2008, making it the third largest City in the State of Michigan. This inner-ring community has a large manufacturing base that includes automotive and defense. The newly elected mayor has put priority on revamping outdated 1950s infrastructure in an attempt to provide quality of life amenities to attract young and old.
- □ Description of the Project Develop a plan that will create a pedestrian link between Warren City Hall, located at One City Square, Warren, Michigan 48093, on Van Dyke just north of Twelve Mile to the City of Warren Community Center and Park located at 5460 Arden Warren, MI 48092 off of Mound Road just north of 13 Mile Road. The project should incorporate some of the following objectives:
  - o **Urban Trail Case Study** Being that the City of Warren is an Urban Community provide an overview of best practices and applicable examples of urban trail networks regionally and nationally.
  - o **Stakeholder Analysis** What local, regional, and state entities should be involved in this undertaking and what role should each play.
  - Route Selection and Feasibility Analysis Provide an analysis of possible routes linking the two sites highlighting assets and liabilities along each route (Considerations should include safety to users and adjacent property wonders, major physical obstacles such as environmental features and major intersections).
  - Agency Coordination Develop an overview of trail requirements, physical and economic, from road agencies including the Michigan Department of Transportation and the Road Commission of Macomb County.
  - o **Signage and Wayfinding** Develop a signage and wayfinding plan for the area that will delineate the route
  - Cost Projections
  - Funding Opportunities

### Utica DDA Van Dyke Avenue Streetscape Plan

- □ Clients City of Utica and City of Utica Downtown Development Authority
- □ **Description of Project** Develop a plan that will create redevelopment and design guidelines plan for the Van Dyke Avenue portion of the Utica Downtown Development Authority from M-59 to Ruby Street along Van Dyke.

### □ Description of Client -

- o The City of Utica, Michigan is located in western Macomb County; 12 miles north of Detroit, and 11 miles east of Pontiac. The City occupies an area of approximately 1.9 square miles and has a current population of 4,558 according to SEMCOG projections. The DDA encompasses a large portion of the community encapsulating the Community's historic downtown district, portions of big box retail and auto-oriented development along M-59, and sections of Van Dyke Avenue that have auto and pedestrian oriented elements.
- □ **Description of the Project** Develop a plan that will create redevelopment and design guidelines plan for the Van Dyke Avenue portion of the Utica Downtown Development Authority from M-59 to Ruby Street along Van Dyke. The project should incorporate some of the following objectives:
  - o **Existing Conditions Analysis** Provide an overview of existing conditions including: businesses, structure and design elements analysis, infrastructure overview, signage, pedestrian audit, access management analysis, and any other applicable strength or weakness.
  - Urban Design and Redevelopment Case Study Analysis Examine best practices and applicable examples of redevelopment and urban design initiatives.
  - Stakeholder Vision Interact with existing businesses and community stakeholders to develop community expectations for the area.
  - Urban Design and Redevelopment Proposals Provide an overview of suggested practices and elements the community should look to integrate in the project area. Be specific in this section/detailed in this section. For example highlight preferred building material for facades, signage requirements, integrated design elements/branding, ect...
  - Cost Projection
  - DDA Financing Analysis Utilization of Tax Increment Financing revenues collected by the DDA.
  - o **Incentive and Implementation Plan** What types of incentives can be provide to building owners to implement proposed improvements.

### City of Eastpointe Corridor Improvement Authority

- □ Clients The City of Eastpointe Downtown Development Authority (DDA) in conjunction with the City of Eastpointe
- □ **Description of Project** develop a Corridor Improvement Authority (CIA) for the southern boundary of the Cities Downtown Development Authority.
- □ Description of Client
  - o In 1986, the Eastpointe Downtown Development Authority was established by Ordinance No. 682 in recognition of the fact that it is in the

- best interest of the public to halt property value deterioration and increase property tax valuation where possible in the downtown business district in the City. The DDA was established pursuant to Act No. 197 of the Public Acts of 1975 of the State of Michigan.
- The purpose of the DDA, as outlined in the bylaws of the DDA, is to correct and prevent deterioration in business districts, to authorize the acquisition and disposal of interests in real and personal property, to authorize the creation and implementation of a development plan in the districts, to promote economic growth of the districts and in general to increase property tax value where possible within the district. The DDA has a full time Director that runs day-to-day operations and is under the supervision and control of a Board consisting of the City Manager and eight (8) members appointed by the City Manager, subject to approval of the City Council.
- Description of the Project The City of Eastpointe Downtown Development Authority in conjunction with the City of Eastpointe plan to develop a Corridor Improvement Authority for the southern boundary of the Cities Downtown Development Authority from Couzens Street to 8 Mile Road. The project should incorporate some the following objectives.
  - o Corridor Improvement Authority CIA best practices overview
  - o Feasibility analysis of developing a CIA
  - o Overview of administrative and legal structure and agreements that would need to occur to develop this entity.
  - o Overview of possible strengths and opportunities in developing a CIA
  - o Impact on current and potential businesses within the CIA district
  - o Baseline financial overview highlighting potential funds
  - o Sustainability objectives

### City of New Baltimore DDA and TIFA Plan Updates

- Clients The City of New Baltimore Downtown Development Authority (DDA) in conjunction with the City of New Baltimore
- Description of Project Update the City's DDA Plan and Tax Increment Finance Authority (TIFA) Plan for the DDA District utilizing the City of New Baltimore's newly drafted Downtown Blueprint for Michigan's Downtown's.
- □ Description of Client
  - O The mission of the City of New Baltimore Downtown Development Authority (DDA) is to create and implement development plans, provide physical improvements to the District, promote economic growth and to correct and prevent deterioration in the DDA District thereby establishing a downtown that is healthy, viable and economically sound for the future.
- □ Description of the Project In December of 2008, the City of New Baltimore along side MSHDA and HyettPalma completed the New Baltimore Downtown Blueprint. The document includes the communities' vision for downtown as well as the findings of a comprehensive analysis of downtowns commercial markets and physical conditions. The recommendation strategy was specifically designed to enable downtown New Baltimore to attain the communities' defined vision and

capture the identified market opportunities. Utilizing this plan, students should work alongside City Administrators, and the downtown community in updating the City of New Baltimore's DDA and TIFA plans.

- Analysis of legal and administrative objectives associated with the State of Michigan Downtown Development Authority Act.
- o Work alongside the DDA Board of Directors in strategically planning out a course of action to implement objectives listed in the blueprints plan.

### City of St. Clair Shores Marina Redevelopment Plan

- □ Clients The City of St. Clair Shores Community Development Department
- □ **Description of Project** Locate site-specific areas within the Marina District, along the Nautical Mile, to develop a conceptual redevelopment plan for each selected site.

### □ Description of Client -

- The Community Development Department's primary mission is to facilitate and coordinate future growth and development of the community. Vital to that mission is maintaining the community's housing and commercial building stock.
- Working alongside the Nautical Mile Merchant's Association and other community stakeholders with vested interests in redevelopment plans

### □ Description of the Project –

- Develop conceptual redevelopment plans for site-specific areas, which are located along the Nautical Mile, within the Marina District of St. Clair Shores, MI. The Nautical Mile is located in St. Clair Shores on Jefferson Avenue, between 9 and 10 ½ Mile Roads and boasts the largest concentration of boats in the Midwest.
- Utilizing this plan, students should work alongside City Administrators, the Nautical Mile Merchant Association, and the community in selecting sites for redevelopment. The following information should be provided for each selected site:
  - Current land use and zoning classification
  - o Analysis of surrounding businesses and uses
  - Proposed use and integration of this use into the greater community framework
  - Considerations of the recently adopted St. Clair Shores Master Plan
  - Work alongside the St. Clair Shores Community Development Department, City Administrators, and the Nautical Mile Merchant Association, and other stakeholders to strategically plan redevelopment opportunities with the designated Marina District.
  - o NOTE: No more than two sites will be selected

RESOLUTION NO.	FULL BOARD MEETING DATE: AGENDA ITEM:	
	MACOMB COUNTY, MICHIGAN	
RESOLUTION TO:	Receive and File the Report on Regional Partnerships	
INTRODUCED BY:	Commissioners James Carabelli and Edward Bruley, Co-Ch	airs
DESCRIPTION:		
COMMITTEE/ME		
*		

RESOLUTION NO.	FULL BOARD MEETING DATE: AGENDA ITEM:
	MACOMB COUNTY, MICHIGAN
RESOLUTION TO:	Receive and File the Report on Marketing and Promotion
INTRODUCED BY:	Commissioners James Carabelli and Edward Bruley, Co-Chairs
DESCRIPTION:	
COMMITTEE/ME	ETING DATE
PED	2-4-09

RESOLUTION NO.	FULL BOARD MEETING DATE: AGENDA ITEM:
MA	COMB COUNTY, MICHIGAN
RESOLUTION TO: Receive and Fil	le the Report on Tourism
INTRODUCED BY: Commissioner	rs James Carabelli and Edward Bruley, Co-Chairs
DESCRIPTION:	
COMMITTEE/MEETING DATE	

RESOLUTION NO.	FULL BOARD MEETING DATE: AGENDA ITEM:
	MACOMB COUNTY, MICHIGAN
RESOLUTION TO:	Receive and File the Administrative Report
INTRODUCED BY:	Commissioners James Carabelli and Edward Bruley, Co-Chairs
DESCRIPTION:	
COMMITTEE/ME	ETING DATE  2-4-09

EFFECTIVE DATE: 12-30-08

### MACOMB COUNTY

### CLASSIFICATION/POSITION DESCRIPTION

CLASSIFICATION TITLE: Research Librarian

<u>F.L.S.A. STATUS:</u> Non-exempt

**DEPARTMENT:** Planning, Community and Economic Development

**APPOINTING AUTHORITY: Executive Director** 

### **GENERAL RESPONSIBILITIES:**

The employee in this classification, under the direction of the Executive Director, researches and prepares reports on national and international companies; researches and prepares reports on emerging regions and countries of the world as it relates to international relations, trade, business, education and culture; prepares marketing materials, publications and reports relating to business attraction; researches and applies for federal, state and private foundation grants relating to economic development; performs related duties as assigned.

### **ESSENTIAL FUNCTIONS:**

- Research and prepare concise written reports on national and international companies that conduct business within our target industry sectors such as defense, advanced manufacturing, advanced automotive and medical.
- Research and prepare concise written reports on emerging regions and countries of the world as it relates to international relations, trade, business, education and culture.
- Prepare marketing materials, publications and reports relating to business attraction.
- Research and apply for federal, state and private foundation grants relating to economic development.
- Assist local businesses with support research for market expansion.
- Conduct industry inventory in Macomb County and utilize results to survey local firms regarding business development, retention and expansions.
- Assess non-profit organizations within Macomb County to determine their economic impact.
- Operates an automobile while performing assigned job duties.

### **ADDITIONAL FUNCTIONS:**

- The statements contained in this position description are intended to describe the general nature and level of work being performed by individuals assigned to this position. They are not to be construed as an exhaustive list of all job duties performed.

### **EDUCATION, TRAINING AND EXPERIENCE:**

- A Bachelor Degree in Business Administration, Economics, International Relations, Finance, Library Science, Urban Planning or a directly related field from an accredited college or university.
- A minimum of five (5) years of experience assisting individuals in the private or public sector with market research, demographics and/or economic development data collection.
- Successful completion of the probationary period for the position of research librarian.
- Be physically able to perform the essential functions of the position, with or without reasonable accommodation.

### **ADDITIONAL QUALIFICATIONS:**

- Knowledge of professional principles of community and economic development.
- Knowledge of the use and application of current computer programs and commercial databases.
- Effective written and verbal communication skills.
- Effective analytical and problem solving skills.
- Ability to prepare and present technical written and oral reports in a clear and logical manner.
- Ability to establish and coordinate effective working relationships with co-workers, outside agencies and the public.
- Possession of a valid Michigan driver's license.
- Possession of an operable automobile for authorized departmental travel.
- Ability to conduct oneself with tact and courtesy.

HUMAN RESOURCES DEPARTMENT APPROVAL
-------------------------------------

NAME: Douglas J. Fouty	_ SIGNATURE:
TITLE: <u>Division Director</u> , <u>Personnel Services</u>	DATE:

RESOLUTION NO FULL BOARD MEETING DATE: AGENDA ITEM:
MACOMB COUNTY, MICHIGAN
RESOLUTION TO: Recommend approval of the request to authorize a departmental credit card to the Department of Planning and Economic Development, subject to the conditions listed below, and to forward the item to the Finance Committee
INTRODUCED BY: Commissioners James Carabelli and Edward Bruley, Co-Chairs
DESCRIPTION:
Request is for a credit card to be issued to the Department of Planning and Economic Development. The card will be assigned to the Executive Director and will be used for the department's economic development attraction and retention efforts. Monthly statements will be provided to the PED Committee, and no charges exceeding \$500 will be made without authorization from the two committee co-chairs.
COMMITTEE/MEETING DATE PED 2-4-09

RESOLUTION NO.	FULL BOARD MEETING DATE: AGENDA ITEM:
	MACOMB COUNTY, MICHIGAN
RESOLUTION TO:	Receive and File the Report on Upcoming Events
INTRODUCED BY:	Commissioners James Carabelli and Edward Bruley, Co-Chairs
DESCRIPTION:	
COMMITTEE/ME	2-4-09
77 - 100	

Macomb County,

### Alternative Energy Manufacturing 101: An interactive and informative workshop designed for manufacturers looking to diversify, grow and succeed in a climate of change.

Hosted and sponsored by Macomb County Department of Planning and Economic Development (MCPED) in collaboration with NextEnergy and MEDC



<u>NEXTÉNERGY</u>



### SAVE THE DATE

February 20, 2009 8:00 a.m. - 4:00 p.m.

Macomb Intermediate School District Educational Service Center 44001 Garfield, Clinton Twp., MI 48038

To register online or for more information go to: www.regonline.com/MacombAlternativeEnergy or call MCPED at 586.469.5285

E-mail Invitations Forthcoming





### MACOMB COUNTY SMALL BUSINESS & TECHNOLOGY DEVELOPMENT CENTER

1 South Main, 7th Floor, Mt. Clemens, MI 48043 - (586) 469-5118 www.misbtdc.org/region10 - www.MacombBusiness.com

### 2009 Scheduled Events

Registration is required for all events.

Seminar time: 9 am – Noon unless noted: \*Port Huron Seminars are 6 - 8:30 pm
All seminars are FREE. To register call (586) 469-5118,
or visit www.misbtdc.org/region10 (follow training links, sort by county)

### **Entrepreneurial Series:** Starting a Business

Designed for people who are considering self-employment, or are at the beginning stages of starting their business. The basics of business ownership are discussed along with resources available to help launch new ventures in MI.

1/14/09 *1/15/09 2/11/09 3/11/09 4/8/09 5/13/09 6/10/09 7/8/09 8/12/09 9/9/09	Wed Thurs Wed Wed Wed Wed Wed Wed Wed Wed Wed	Mt. Clemens Port Huron Clinton Twp Mt. Clemens
8/12/09		Clinton Twp

### **Entrepreneurial Series: Business Legal Issues**

Designed to guide prospective business owners in setting up the legal structure that will help protect them from unnecessary legal challenges. Introduces key tax and non tax considerations for different types of legal entities available in MI.

1/21/09	Wed	Mt. Clemens
3/25/09	Wed	Mt. Clemens
5/27/09	Wed	Mt. Clemens
7/22/09	Wed	Mt. Clemens
9/23/09	Wed	Mt. Clemens
12/3/09	Thurs	Mt. Clemens

Presented by: John Carter, Esq.



### **Seminar Locations**

Mt. Clemens: Macomb County Administration Building, 1 S. Main Street, (corner of Cass & Main Street). All seminars will be held in the 9th Floor Confer-

Clinton Twp: Michigan Works! office, 43630 Hayes, (between 19 Mile & Hall Road, in the

Port Huron: EDA of St. Clair County, 735 Erie Street, at the corner of Erie (7th) & Glenwood, in the Citizen's First MTEC Bldg.







This Cooperative Agreement is partially funded by the U.S. Small Business Administration. All SBA funded programs are extended to the public on a nundiscriminatory basis. Reasonable accommodations for persons with disabilities will be made, if requested at least two weeks in advance, by calling (586) 469-5118.

### Entrepreneurial Series: Writing a Business Plan

Designed for people who want to increase their chances for successful selfemployment. Specifics of marketing, finance, legal, regulatory issues, operations, information based planning and management are covered.

*2/12/09	Thurs	Port Huron
2/18/09	Wed	Mt. Clemens
4/15/09	Wed	Mt. Clemens
6/17/09	Wed	Mt. Clemens
8/19/09	Wed	Mt. Clemens
10/21/09	Wed	Mt. Clemens

### **Entrepreneurial Series: Marketing Your Business**

Designed to present practical applications of marketing concepts. Covers basic marketing tools including market analysis and research, target marketing, assessing competitors, and key marketing implementing tools.

*3/12/09	Thurs	Port Huron
3/18/09	Wed	Mt. Clemens
5/20/09	Wed	Mt. Clemens
7/15/09	Wed	Mt. Clemens
9/16/09	Wed	Mt. Clemens
12/2/09	Wed	Mt. Clemens

Dates subject to change. For information on events, or to verify dates listed above, please call (586) 469-5118 or check our website www.misbtdc.org/region10 100



### MACOMB COUNTY SMALL BUSINESS & TECHNOLOGY DEVELOPMENT CENTER

1 South Main, 7th Floor, Mt. Clemens, MI 48043 - (586) 469-5118 www.misbtdc.org/region10 - www.MacombBusiness.com

### 2009 Scheduled Events

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Seminar time: 9 am – Noon unless noted: \*Port Huron Seminars are 6 - 8:30 pm
All seminars are FREE. To register call (586) 469-5118,
or visit www.misbtdc.org/region10 (follow training links, sort by county)

### Tax Seminars

THE GEARY GROUP, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
AND BUSINESS ADVISORS

Presented by: Linda Geary, CPA

How to Report Small Business Income & Expenses Topics include: Reporting Income, Transportation Expenses, Insurance Expenses, Entertainment Expenses, Depreciation and Record Keeping.

8/26/09

Wed

Mt. Clemens

### Employees & Taxes: What You Need to Know

Topics include: Worker Classification (Employee vs. independent contractor), Information Returns, (940, 941, 1099, W-2), Employer's Obligations and Record Keeping.

9/30/09

Wed

Mt. Clemens

### **Tax Information for Sole Proprietors**

**Topics include:** Schedule C, Estimated Taxes, Self-Employment Tax and Record Keeping.

10/28/09 Wed Mt. Clemens

### Taxes & Your Home Office

Topics include: Determining Eligibility, Form 8829 Overview and Record Keeping.

11/20/09 Fri Mt. Clemens

### **Seminar Locations**

Mt. Clemens: Macomb County Administration Building, 1 South Main Street, (corner of Cass & Main Street). All seminars will be held in the 9th Floor Conference Room unless otherwise noted

<u>Clinton Twp</u>: Michigan Works! office, 43630 Hayes, (between 19 Mile & Hall Road, in the

Port Huron: EDA of St. Clair County, 735 Erie Street, at the corner of Erie & Glenwood, in the

### **Entrepreneurial Series:** Finance

The basics of financial management, including how to start an accounting system, and how to apply information from financial statements to help you manage the business are covered. Preparation of balance sheet, profit & loss statement, cash flow analysis and breakeven analysis are explained.

2/26/09	Thurs	Mt. Clemens
5/28/09	Thurs	Mt. Clemens
8/27/09	Thurs	Mt. Clemens
11/19/09	Thurs	Mt. Clemens

### Team SBA Financing Roundtable

Learn how a lender analyzes your loan request, and what they look for in a credit application. Meet with bankers, SBA loan officers and small business consultants to discuss your financing needs. You must know how much money you need to borrow. A completed business plan is highly recommended.

1/22/09	Thurs	Mt. Clemens, 8th Flr
4/16/09	Thurs	Mt. Clemens, 8th Flr
7/9/09	Thurs	Mt. Clemens, 8th Flr
9/3/09	Thurs	Mt. Clemens, 8th Flr





This Cooperative Agreement is partially funded by the U.S. Small Business Administration. All SBA funded programs are extended to the public on a nondiscriminatory basis. Reasonable accommodations for persons with disabilities will be made, if requested at least two weeks in advance, by calling (586) 469-518.

Dates subject to change. For information on events, or to verify dates listed above, please call (586) 469-5118 or check our website www.misbtdc.org/region10 1200

# SEMCOG UNIVERSITY

of governmental units serving 4.9 million people in of Governments, is a regional planning partnership the seven-county region of Southeast Michigan SEMCOG, the Southeast Michigan Council striving to enhance the region's quality of life.

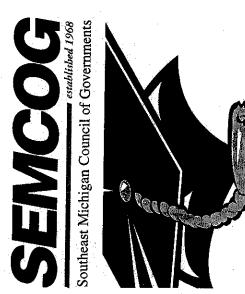
districts, community colleges, and public universities Membership in SEMCOG is open to all counties, cities, villages, townships, intermediate school in Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne Counties.

Detroit, MI 48226-3602 535 Griswold, Suite 300 Southeast Michigan Council of Governments

Permit No. 3981 Detroit, MI **DIA9** U.S. Postage STANDARD **PRESORT** 

Jan. 13, 2009

thdoorldedouthorilldholdertralialoodholallatil Mount Clemens MI 48043-2306 1 S Main St FI 7 Macomb Co. Planning & Economic Development Dept. Stephen M. Cassin, Aicp, Executive Director



SEMCOG UNIVERSITY

PRESENTS

Impacts of Foreclosures Combating Local

(Registration begins at 8:30 a.m.) Tuesday, February 10, 2009 9 a.m.-12:30 p.m.

Ambassador Room, SEMCOG 535 Griswold St., Suite 300 Detroit, MI 48226 Buhl Building

SENCOG ... Equipping local government leaders for the future Southeast Michigan Council of Gove



### BACKGROUND

The rise in the number of foreclosed residential properties throughout our region has placed an extraordinary burden on local governments. Addressing this burden requires strategies that assist homeowners, maintain property values, and protect the quality of neighborhoods. The tools available to address the growing problem of foreclosures are often complex and mulitfaceted, so local governments need a coordinated approach to effectively allocate resources and implement strategies. This SEMCOG University workshop will highlight best practices implemented by local communities, and resources and assistance available from the federal government and financial institutions.

### OBJECTIVE

This workshop will provide best practices in stabilizing neighborhoods, examine legislative initiatives for 2009, offer strategies to transform foreclosed properties into community assets, and assist communities to effectively implement the Neighborhood Stabilization Program (NSP) and other federal and state community development resources.

## WHO SHOULD ATTEND?

Local elected leaders, city managers, planning and housing managers, community development practitioners.

### **I** LEARN ABOUT

Neighborhood strategies to transform foreclosed properties into community assets

Best practices in allocating NSP funds

Outlook for a Federal Economic Stimulus package State and Federal housing and foreclosure funding

and policy Resources available to local governments

resources available to local governments

Tools to locate and analyze foreclosed
and blighted properties

### WORKSHOP AGENDA

Welcome and Introductions

Federal Legislative Update by Senator Levin's office Overview of impacts of foreclosure in the region Case Studies and Best Practice Presentations MSHDA and Local Communities

Neighborhood and Foreclosure Strategies

HUD and local financial institutions

Questions and Answers

Closing Remarks

### REGISTRATION

This SEMCOG University workshop is free-of-charge to SEMCOG members and partners; there is a \$75 charge for non-member local governments. Seating is limited, so you are encouraged to reserve a seat by February 3, 2009.

Questions about this SEMCOG University? Please call Amanda Polanco at (313) 324-3362.

E-mail:

### REGISTRATION

# Combating Local Impacts of Foreclosures

Tuesday, February 10, 2009 9 a.m.-12:30 p.m. (Registration begins at 8:30 a.m.)

### Register by February 3rd

# Online now at: www.semcog.org/SEMCOG\_University.aspx

By mail to: SEMCOG • Attn: Amanda Polanco, SEMCOG U Registrar • 535 Griswold St., Suite 300 Detroit, MI 48226

By fax to: SEMCOG • Attn: Amanda Polanco (313) 961-4869

Name:
Tirle:
Affiliation:
Phone:

### Make your Website a Star Performer

SIGNUPANO <a href="mailtonex">Seminar</a>

**WEDNESDAY, FEBRUARY 11TH** 

This FREE all-new seminar for Industrial Businesses will show you how to maximize the impact of your Website so that visitors become customers.

Thomas Net EXPERTISE. SOLUTIONS. RESULTS.

SIGN UP NOW. Wednesday, February 11th in Clinton Township, MI. This event will change the way you do business online. Make your website a hard-working star performer by attending a ThomasNet seminar.

Learn how to measure what's happening at your website to make smart decisions. Allow engineers to download your CAD drawings, saving time and getting your parts specified when designs are completed.

### YOU'LL LEARN:

- The latest research about online search from Outsell & ThomasNet
- Get more RFQs and sales inquiries via your website
- Learn search engine optimization (SEO) techniques that help you get found by the customers you want
- Make detailed information about what you sell searchable on your website - your entire product line or all your custom manufacturing capabilities
- Use downloadable CAD drawings to put your products in front of engineers who greatly influence buying decisions

Presented in partnership with Macomb County Michigan.

Selb/Makababakan Margiwares

/Wednesday, February 11, 2009 .8 am Breakfast 19 am Start Macomb Intermediate School

Room 206 44001 Garheid

Clinton Township, MI 48038

### <u>erendikan padalah pada</u>

www.thomasnet.com/seminar/macomb.html Tel: 330.898:3771 or 586:469.6450



### **Roads to Renewal:**

### A Summit on the Changing Automotive Industry — How Communities Can Thrive

April 14-15, 2009 Renaissance Chicago Hotel Chicago, Illinois

The uncertainty surrounding both the automotive industry and the national economy will continue throughout 2009. If you want to hear the latest thinking on where the industry is headed, Dr. Sean McAlinden, CAR's chief economist, and Dr. David Cole, CAR's chairman, will provide insights at this inaugural event. Other speakers will offer their views on the future of the industry, provide further insights into changes communities can expect, and suggest ways in which communities might plan and partner to better position themselves for future prosperity. A preliminary list of speakers is enclosed.

The United States Department of Commerce Economic Development Administration has provided seed funding for this event, and the University of Michigan is an active participant in developing the agenda that will focus on ways communities can plan and partner in order to prosper—either through transition or transformation.

To register or to find out more about the event visit: http://regionalsummit.cargroup.org/.

We hope to see you in Chicago for this important conference.

Sincerely,

Kim Hill

Director, Automotive Communities Program

Enclosure

P.S. This Summit is an outgrowth of our Automotive Communities Program (ACP). For more information on the ACP, visit their website <a href="http://www.cargroup.org/acp/">http://www.cargroup.org/acp/</a>.

### Roads to Renewal:

### A Summit on the Changing Automotive Industry – How Communities can Thrive

Renaissance Chicago Hotel Chicago, Illinois

April 14-15, 2009

### **Preliminary List of Speakers and Panelists**

John Austin, Director, New Economy Initiative
David Cole, Chairman, CAR
Dennis Cuneo, Senior Advisor, Toyota and Toyota Boshoku
George Erickcek, Senior Regional Analyst, W. E. Upjohn Institute
Nate Feltman, Former Secretary of Commerce, State of Indiana & CEO, Indiana Economic Development Corporation (IEDC)

Ernie Fletcher, former Governor of Kentucky
Steve Forrest, Vice President for Research, University of Michigan
George Fulton, Research Professor, University of Michigan Economics Department
Kim Hill, Director, Automotive Communities Program and Associate Director, Economics &
Business Group, CAR
Ned Hill, Professor and Distinguished Scholar of Economic Development, Maxine Goodman Levin

Lee Fisher, Lt. Governor, State of Ohio

Ned Hill, Professor and Distinguished Scholar of Economic Development, Maxine Goodman Levin College of Urban Affairs, Cleveland State University, and Senior Fellow of the Metropolitan Policy Program at The Brookings Institution

Thomas Klier, Senior Economist, Federal Reserve Bank of Chicago
Greg LeRoy, Founder and Director, Good Jobs First and Author of The Great American Jobs Scam:
Corporate Tax Dodging and the Myth of Job Creation
Sean McAlinden, Chief Economist and Vice President of Research, CAR
Lawrence Molnar, Associate Director for Community and Economic Development Programs, Institute for Research on Labor, Employment and the Economy, University of Michigan
Doug Rothwell, President, Detroit Renaissance

Dan Swinney, Founder, Center for Labor and Community Research and Executive Director, Chicago Manufacturing Renaissance Council

Tom Tebben, Member, Lima Ohio Auto Task Force and the Lima City Council

William Testa, Vice President and director of regional programs, economic research department, Federal Reserve Bank of Chicago